FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 211

31 October 1986

ARGENTINA

Alfonsin Creates Military Advisory Committee	B 1
'Maximum Alert' Declared	B 1
Military Suspends Leaves	B 2
Alfonsin, UN Secretary General Discuss Falklands	B 2
Mugabe Contacts Alfonsin [AFP]	B 3
Alfonsin Calls Counterparts	B 3
Chile Issues Communique	B 4
Foreign Ministers To Meet [AFP]	B 4
BBC Claims Alfonsin 'Under Military Pressure'	B 5
Juanarena Refutes Claim	B 5
Minister Caputo Addresses Secret Senate Session	B 6
Denies Troop Movements	B 6
Grants News Conference	B 7
Disavows 'Aggressive' Spirit [AFP]	B 7
Questions UK Motives	B 8
Troccoli Summons Parties to Falklands Briefing	B 9
Fishing Sectors To Continue Falkland Operations	B 9
Protest Soviet Agreements	B 10
Ministry Assumes Responsibility	B 11
General Sanchez Praises Major Military Maneuvers	B 11
Government Fears Changes Within Communist Party	B 13
Constantini Reports Closure of Uranium Plant [AFP]	B 14
Defense Official Explains Military Domestic Role [BUENOS AIRES HERALD 28 Oct]	B 14

BOLIVIA

Interior Minister Criticizes Resignation Request [AFP]	C 1
Congress DEA Ruling	C 1
Antidrug Forces Reshuffled	C 1
Foreign Minister on Rapprochement With Chile	C 2
Bedregal Hails PRC Envoy Assignment 'Day of Joy'	C 2

BRAZIL

Abrams Discusses Trade, Nicaragua at Itamaraty [O ESTADO DE SAO PAULO 28 Oct]	D 1
Itamaraty Issues Statement on Falklands Dispute	D 1
U.S. Technicians Assist With Angra 1 Problem [O ESTADO DE SAO PAULO 28 Oct]	D 2
Planning Minister Views IMF Before Japan Trip	D 2
Varig Suspends Belem-Paramaribo Service	D 3
Daily Describes 'Obsolescence' of Armed Forces [FOLHA DE SAO PAULO 26 Oct]	D 3
Revised Cruzado Plan Shrinks Public Sector	D 6

CHILE

Government Extends Area of Territorial Waters [AFP] E 1
Merino Criticizes UN South Atlantic Resolution [AFP] E 1

COLOMBIA

Venezuelan Ambassador on Border Cooperation F 1
Officials Arrest Man for U.S. Extradition F 1
Courts Reject U.S. Requests F 1

ECUADOR

Government Official Denies Contra Aid Support G 1
Alfaro Lives Announces Creation of New Command [AFP] G 2
Finance, Credit Minister Cordovez Sworn In G 2
Briefs: Drug Agreement With Peru G 2

PERU

Communique Rebukes U.K., Supports Argentina [AFP] J 1
State of Emergency Extended in Callao, Lima J 1
Briefs: Drug Traders Arrested J 1

URUGUAY

Communique Reaffirms Support for Falklands [AFP] K 1
Iglesias Returns, Criticizes U.S. Oil Tax [AFP] K 1

VENEZUELA

Deputies Reprove U.S. Government Petroleum Tax L 1

MEXICO

U.S. Drug Trafficking Law Draws Protest Note M 1
Commerce Secretary Criticizes U.S. Oil Tax M 2
[UNOMASUNO 26 Oct]
Paper Views 'Unjust' U.S. Migrant Workers Law M 2
[EL NACIONAL 24 Oct]
Canada Interested in Skilled Migrant Workers M 3
De la Madrid Supports Alfonsin on Falklands M 3
IDB Approves $600 Million Loan for 1987 M 4
Cuban Industry Official Discusses Regional Trade M 4
Salvadoran Alien Arrests Increase Since Quake M 4

PANAMA

Paper Praises U.S. Ambassador's Statements N 1
[EXTRA 30 Oct]

CENTRAL AMERICA

COSTA RICA

Arias Voices 'Concern' to U.S. on Contra Aid P 1

GUATEMALA

Army Spokesman Views War in Region as 'Imminent' [DPA] P 1
Cerezo Willing To View Guerrilla Dialogue Offer P 1
URNG Proposal Divides Parties P 2

HONDURAS

Azcona Stresses Democratization in Nicaragua [EL HERALDO 30 Oct] P 3
Lopez on Contras, Plane Deal [LA TRIBUNA 29 Oct] P 3
Orbin Opposes Contra Motion P 4

NICARAGUA

'Documentary Evidence' Describes Hasenfus Links P 5
Editorial Berates Reagan Committee on 'Open 'War' [BARRICADA 29 Oct] P 5
Minister Ruiz Wants 'Settlement' With U.S. [Budapest] P 6
Reports on Trip to Hungary [BARRICADA 29 Oct] P 8
Minister Protests Honduran Border Attacks [BARRICADA 29 Oct] P 9

CUBA

U.S. Drug Law Seen as Border 'Militarization' Q 1
Havana Radio Views UN South Atlantic Resolution Q 1
FMLN-FDR on Earthquake Aid, 'Genocide' Alert Q 2
Risquet Meets With ANC's Tambo, PLO's 'Arafat Q 3
Cabrisas Ends 'Promising' Uruguayan Visit Q 4
Bolivian Officials Approve Havana Agreements Q 4
'Bourgeois,' Socialist Freedom of Press Compared Q 4

DOMINICAN REPUBLIC

Balaguer Changes Stance Toward Social Christians R 1
Discusses Debt Renegotiation R 2

CARIBBEAN

ANTIGUA AND BARBUDA

Communique Concludes Talks With Trinidad-Tobago S 1

ST LUCIA

Labor Party Ends Conference on Platform S 1

HAITI

Thionier Revives Duvalierist REN Party S 2

ALFONSIN CREATES MILITARY ADVISORY COMMITTEE

PY310212 Buenos Aires DYN in Spanish 2351 GMT 30 Oct 86

[Excerpt] Buenos Aires, 30 Oct (DYN) -- It has been officially reported that the tense situation caused by the worsening of the conflict of sovereignty over the Malvinas Islands this afternoon led President Raul Alfonsin to decree the creation of a military advisory committee, which will advise him on defense strategies.

The creation of this committee, which is made up of government officials and military commanders, is provided for in the defense law under study in congress. However, the British decision to create an economic and fishing preservation zone around the Malvinas Islands has compelled the president to create the committee through a decree. The preservation zone affects Argentine seas.

Even though the formalities of the decree have not yet been completed, the Presidential Press Office has already released it. The whereas clauses, which are very concise, state "it is necessary to count on the cooperation of the specific advisory and assistance organs to provide for the national defense."

The committee will advise President Alfonsin, the Armed Forces commander in chief, on how to conduct military operations. The committee will include the defense minister, the chief of the Joint Staff, and the chiefs of staff of the Armed Forces. The decree states the president may appoint other officials or invite members of the other branches of government, or persons whose qualifications, in the president's opinion, [passage indistinct] for the specific issues that will be analyzed. The committee will be headquartered at the Joint Staff offices. Brigadier General Teodoro Waldner, the chief of the Joint Staff, will be the secretary of the Advisory Committee. Whenever applicable, President Alfonsin will delegate the duty to direct and coordinate the committee's activities to Defense Minister Horacio Jaunarena.

The official decision to create the committee was learned this morning. The official decision was to follow the defense law provisions and to create a committee very different from the one that operated under the last military administration. The committee, which will be headed by the president, will be made up of Defense Minister Horacio Jaunarena, chief of the Joint Staff Brig Gen Teodoro Waldner, Army Chief of Staff General Hector Rios Erenu, Navy Chief of Staff Vice Admiral Ramon Arosa, and Air Force Chief of Staff Major General Ernesto Crespo. Under the provisions of the defense law, the president is empowered to call other officials or persons whose qualifications are deemed useful for the specific issues to be discussed by the committee. It has also been learned that the Joint Staff will design the jmilitary strategic planning, and that strategic, operational, joint, specific, combined, or territorial commands may be created. [passage omitted]

'Maximum Alert' Declared

PY301115 Madrid EFE in Spanish 0825 GMT 30 Oct 86

[By Jesus Fonseca Escartin]

[Excerpts] Buenos Aires, 30 Oct (EFE) -- Argentine President Raul Alfonsin has reported that Great Britain is fomenting "a true threat to international peace and security," and he declared Argentine forces in the South Atlantic on "Maximum Alert."

Argentine forces were placed on "maximum alert" last night after a meeting that President Raul Alfonsin held with Foreign Minister Dante Caputo and the chiefs of staff of the Army, Navy and Air Force. [passage omitted]

Foreign Minister Caputo has told EFE that Great Britain's decision implies "an act of usurpation of Argentine territory and seas" something that he described as "a very serious position and one with which the Argentine Government is seriously concerned."

A Defense Ministry spokesman has reported that "Great Britain's behavior has compelled Argentina to take as of this moment a preventive and defensive position in view of any situation that may arise."

Buenos Aires learned about the unexpected British decision a few days before the main Army units, seated in the southern Patagonia region, ended 3 weeks of maneuvers, the most important ones since the end of the war waged by Great Britain and Argentina.

The joint staff has stated that "while the situation remains unclear, the release of the first soldiers who were supposed to go on leave starting this week in view of the end of the military year, will be suspended."

Despite the immediate and strong measures adopted by Argentine authorities, government sources have said these "in no way are similar to what happened between 2 April and 14 June 1982 [the Falklands war]. [passage omitted]

Military Suspends Leaves

PY302051 Formosa Domestic Service in Spanish 2020 GMT 30 Oct 86

[Excerpts] Mar del Plata -- At noon today Defense Secretary Alfredo Mosso said the government is closely following the situation prompted by the British decision to declare an exclusive zone for economic exploitation around the Malvinas and all peaceful resources through diplomatic channels will be exhausted, although the country is on a state of alert.

In statements to Radio Mar del Plata at noon today, Mosso confirmed that leaves of absence for military officers have been suspended. [passage omitted] The defense secretary described the British stance as bellicose and irrational and noted that this situation will only strengthen the Argentine position on the Malvinas.

ALFONSIN, UN SECRETARY GENERAL DISCUSS FALKLANDS

PY302334 Buenos Aires TELAM in Spanish 2215 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- President Raul Alfonsin today stressed, in connection with the South Atlantic conflict with Great Britain over the Malvinas Islands, that we are men of peace and emphasized Argentina will act prudently, but warned that we will not cease to firmly exercise our rights. Alfonsin told this to UN Secretary General Javier Perez de Cuellar during a telephone conversation this afternoon. The Argentine President told the UN secretary general about the concern of the Argentine Government over the unilateral decision of Great Britain to extend the fishing protection zone around the Malvinas Islands.

According to information released from Argentine Government House. Perez de Cuellar told Alfonsin he lamented the report he had received from the British ambassador to the United Nations, because it consituted the beginning of a conflict and because he understood that the British measure may have been interpreted as a provocation. It was reported that the UN secretary general asked the Argentine president for his permission to relay the contents of the telephone conversation to the British.

Alfonsin also contacted Colombian President Virgilio Barco, who heard out Argentina's position and told Alfonsin he would do what he could to help that great country (meaning Argentina). Alfonsin also explained his country's position to Ecuadoran President Leon Febres Cordero, who promised his country would provide prompt support for Argentina's position.

Mugabe Contacts Alfonsin

PY302152 Paris AFP in Spanish 2111 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (AFP) -- It was officially reported in Buenos Aires today that Robert Mugabe, the Zimbabwean president and chairman of the Nonaligned Movement, will ask for "explanations" from the British Government on its decision to declare an exclusive economic zone around the Malvinas Islands. An Argentine Government House source reported that Mugabe today contacted President Raul Alfonsin, and after being briefed on the situation, told his Argentine counterpart he will immediately inform the members of the Movement and the members of the Coordination Bureau of the organization. Mugabe told Alfonsin he is going to "request explanations from the British Government on the measure adopted," the sources stated.

Alfonsin Calls Counterparts

PY301832 Buenos Aires TELAM in Spanish 1750 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- President Raul Alfonsin this morning talked by phone with the presidents of Uruguay, Brazil, Peru, Venezuela, Spain and France on the situation created by the British decision to extend the exclusion zone around the Malvinas Islands.

First Alfonsin talked with Brazilian President Jose Sarney who expressed his surprise over the unilateral British decision made just hours after the United Nations voted on a project sponsored by Brazil declaring the South Atlantic a peace zone. Alfonsin then talked with Uruguayan President Julio Maria Sanguinetti to inform him on the situation. Sanguinetti expressed the solidarity of the Uruguayan people with Argentina.

Alfonsin then talked with Spanish President Felipe Gonzalez, and Peruvian President Alan Garcia to give them a quick review of the situation and the position of the Argentine Government. The conversation then continued with Venezuelan President Jaime Lusinchi who told Alfonsin this issue was being evaluated by his council of ministers and the Venezuelan Foreign Ministry is going to issue a declaration supporting Argentina.

Alfonsin then talked with French President Francois Mitterrand. Alfonsin thanked the French president for the note Mitterrand sent to him in Strasbourg when he received the human rights award.

Alfonsin told Mitterrand the Argentine people advocate peace and our government is a government of peace. He also said Argentina will not only act with prudence, but also with the necessary firmness to face a situation labeled as a new aggression that disregards the UN recommendations. The French president said he already informed his government about this case and he had no interest in seeing the conflict get worse. He said he is willing to help and to participate in whatever is necessary to contribute to reconciliation in accordance with international law.

During the telephone conversations held this morning in Government House, President Alfonsin was accompanied by Foreign Minister Dante Caputo, Economy Minister Juan Sourrouille, Presidential General Secretary Carlos Becerra and Presidential Spokesman Jose Ignacio Lopez.

Chile Issues Communique

PY302339 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2230 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- The Chilean Government today reiterated that it recognizes "Argentina's legitimate rights over the Malvinas" and offered to state its solidarity with our country "on every occasion and at every forum that may be necessary." The declaration released in Buenos Aires by the Chilean Embassy states "it is indispensable for both parties to arrive at a peaceful solution to the dispute" between Great Britain and Argentina, which has been worsened by London's unilateral decision to extend its control of the South Atlantic.

The position of General Augusto Pinochet's government is stated in the following communique:

Regarding the recent declaration of the United Kingdom on the Malvinas Islands, the Chilean Embassy "emphatically" states:

1. Chile reiterates its traditional acknowledgment of Argentina's legitimate rights over the Malvinas Islands.

2. Once again Chile feels that it is indispensable for the parties to arrive at a peaceful solution to the dispute in compliance with the UN resolution, which Chile has sponsored and supports, and in keeping with international law.

3. The Chilean Government is prepared to state its solidarity on every occasion and at every forum that may be necessary.

Foreign Ministers To Meet

PY310048 Paris AFP in Spanish 0030 GMT 31 Oct 86

[Text] Montevideo, 30 Oct (AFP) -- Government sources reported in Montevideo tonight that the foreign ministers of Argentina, Brazil, and Uruguay will meet in the Uruguayan sea resort of Punta del Este (140 km east of Montevideo) on Sunday, 2 November, to analyze "the situation that has arisen over the Malvinas Islands." The meeting, which has been called by Uruguayan President Julio Sanguinetti, will be attended by Ministers Dante Caputo (Argentina), Roberto de Abreu Sodre (Brazil) and Enrique Iglesias (Uruguay).

BBC CLAIMS ALFONSIN 'UNDER MILITARY PRESSURE'

PY310125 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2340 GMT 30 Oct 86

[Excerpt] Buenos Aires, 30 Oct (NA) -- The BBC today justified the British Government decision to extend the exclusive fishing zone around the Malvinas Islands on the need to preserve fishing resources, "in view of the accords that Argentina has signed with the USSR and with other communist countries." In a program heard in Buenos Aires, the BBC said that in addition to the accords, there was also "the presence of third countries, like Japan and the ROK," which have begun intensive operations in the area. The BBC added the decision "was warmly welcomed" by the islanders.

The BBC included brief reports on the new situation [passage indistinct] in the afternoon and in the evening, although they were attached no priority, unlike other issues like international oil prices and the British-Syrian crisis. [passage omitted]

In another newscast, the BBC included a brief report on the situation in the South Atlantic. The report said President Raul Alfonsin acted "under military pressure" and that Defense Minister Horacio Jaunarena stated Argentine reserves for itself the right to give an opportune answer to London.

Jaunarena Refutes Claim

PY310042 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2315 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- Defense Minister Horacio Jaunarena today confirmed that the only measures taken following the British decision to extend the exclusive economic zone are the creation of the military committee and the cancellation of leaves for recruits in the next few days. He denied that the troops in southern Argentina have been mobilized.

The minister added: "No other measures, other than those already made public, have been adopted. Neither have we given any special recommendations to the fishing ships operating in the southern sea." Jaunarena stated "there are no plans to modify the national budget." He described as "absurd" a report by the BBC that the Argentine Government adopted the measures "under pressure" from the miltary commanders.

Jaunarena emphasized the atmosphere of "solidarity" that the government has found in various social sectors in the wake of the unilateral British decision. "Obviously, the Armed Forces are among these social sectors," he said. The minister explained "anything dealing with the Malvinas generates immediate solidarity, because it is one of the topics in which Argentines are most interested." "This is why we have found solidarity within the Armed Forces," he stated.

Concerning the creation of a military committee, Jaunarena explained it will play an advisory role and it will "give the Armed Forces, which constitute a sector of society, a chance to participate in the evaluation of the situation." Jaunarena made these comments during a brief conversation with newsmen shortly before he met with the chiefs of staff of the three branches and the chief of the Joint Staff. He said it was the "routine Thursday meeting."

The minister clearly admitted the government "is concerned" about the situation caused by Great Britain, because "the decision is of such magnitude that no one could have remained indifferent." He reiterated that the government has decided to make "a permanent analysis and follow the events" to evaluate the situation.

MINISTER CAPUTO ADDRESSES SECRET SENATE SESSION

PY301707 Buenos Aires TELAM in Spanish 1646 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- The Senate began a secret session at 1330 [1630 GMT]. Foreign Minister Dante Caputo is participating in the session. The foreign minister will inform the senators about the Argentine Government's policy regarding Great Britain's decision to declare an exclusive economic zone around the Malvinas Islands.

Denies Troop Movements

PY302202 Buenos Aires TELAM in Spanish 2031 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- Foreign Minister Dante Caputo, in reply to a question, has categorically denied that there are troop movements under way in Argentina. He made this statement as he was leaving Congress following the secret Senate session that lasted more than 3 hours. He explained: It is not up to me to answer that question, but to the Joint Chiefs of Staff, to the Defense Ministry. What I can say is no decision has been made in this regard.

He also explained that some military maneuvers had been planned a long time ago and that they have nothing to do with this issue, but with maintaining the different branches of the Armed Forces in good condition. There are no troop movements, he reaffirmed.

In answer to another question, he denied that the Argentine Government has contacted the Soviet Union. It is not in our plans yet, Caputo stated. Asked whether a military advisory committee has been created, the foreign minister answered: Some meetings are being held. Call it a military committee, or call it whatever may seem appropriate. Meetings are being held at the Defense Ministry with the chief of the Joint Staff and the commanders of the Armed Forces.

He explained that the military aspect is one of the aspects we are discussing, but it is not the only one. There are also the political and diplomatic aspects, as well as the military one. I would not like to give the impression that this issue is essentially of a military nature. No, it is a complex issue. But since Argentine territorial integrity is being affected, by no means can we disregard this issue.

He explained that President Raul Alfonsin today contacted several chiefs of state, especially those of Latin America, and he is still doing so at this moment. Moreover, he stated, the foreign ministry is calling a number of ambassadors of those countries that fish in that zone (south of Argentina). We are also contacting several foreign ministers, he added.

We are studying the final details of the steps we will take in multilateral organizations, that is, the United Nations, the OAS, etc. We are preparing a battery of diplomatic tools, both bilateral, that is on a country-to-country basis, and multilateral for use in the international organizations.

The foreign minister refused to comment on the nature of the secret Senate session. Radical Civic Union Senator Adolfo Gass, who was accompanying Caputo as he left Congress, explained to reporters that the senators decided the meeting be held secretly, and we are not going to give any information on it.

Grants News Conference

PY302227 Buenos Aires TELAM in Spanish 2147 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- Foreign Minister Dante Caputo today categorically denied that there are any troop movements under way in the south of the country. He also said Argentina will continue exercising in the southern zone the powers stemming from its sovereignty over the area. Caputo did not rule out the possibility of frictions with the British Armed Forces.

The Argentine foreign minister made these comments during a news conference he granted to foreign correspondents accredited to the Argentine Government. At the news conference he described the current situation by saying it is tantamount to the British taking over the sidewalk of our house and now wanting to seize our front yard, the plants included.

He reasserted that Argentina will demand compliance with the resolutions of the UN General Assembly in order to defend Argentine sovereign rights over the southern archipelago. He added Argentina will defend these rights at every international forum to which it has access. The news conference was held on the 14th floor of the Foreign Ministry and lasted 45 minutes.

Disavows 'Aggressive' Spirit

PY310155 Paris AFP in Spanish 2310 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (AFP) -- Argentine Foreign Minister Dante Caputo today in Buenos Aires asserted that the exclusion zone around the Malvinas Islands unilaterally declared by Great Britain on Wednesday, 29 October, covers a 200-miles radius and this measure, which is already in force, may, therefore, spark "incidents" at any moment. The Argentine foreign minister stated this interpretation of the declaration issued by his British counterpart, Geoffrey Howe, was confirmed to Argentina by Howe himself.

Caputo referred to the British declaration to explain that "on one hand, there is a 150-mile protection zone around the Malvinas within which no one will be able to fish as of 1 February without British authorization." "But there is also, and this is the most important point," he said, "the declaration of an economic exclusion zone of 200 miles around the Malvinas, and this measure has been in force since 1500 GMT on 29 October."

Caputo added "the interpretation, according to which the decision announced by London on 29 October only refers to the 150-mile zone, is designed to deceive international public opinion regarding the truth of the British aggression."

Commenting on the possibility of "incidents," Caputo noted that the new 200-mile limit means there is now a zone within which Argentina as well as Great Britain intend to exercise their sovereignty. He said: "This is the most serious and concerning issue, because under this situation it is quite clear that anything can happen. Argentine fishing vessels are currently operating in that zone and the possibility exists that a British vessel may go and ask them for explanations."

"Likewise," added Caputo, "if a vessel of any country enters what we consider our exclusive economic zone (up to 200 miles from the Argentine continental coastline), we will not give up our rights and will implement the measures we have always implemented after making the necessary warning, but without hesitating to go right to the end. There is nothing odd about this. Every country does it."

The minister denied that his country has an "aggressive" spirit and also "categorically" denied that the Air Force has been placed on a state of alert, noting that the patrols were being conducted before the British decision. "No one can claim the violation of human rights when a thief is imprisoned," he stated, "but England has seized a home which we consider ours, has taken over our sidewalk (the 150-mile zone), and now wants to seize part of our yard (the 200-mile zone)."

When he was asked about the implicit British offer to negotiate the delimitation of the exclusive economic zone, such as is done at an international level in the case of the overlapping of such zones, Caputo dismissed the possibility, explaining that "it would be the same as acknowledging British sovereignty over the Malvinas." Regarding possible economic reprisals against Great Britain, he only said that "no measure has been excluded."

He ended by stating that "we have proven (since democracy was restored) that we are not a bellicose country. We are all for prudence and the negotiated solution of conflicts, but we are also determined to defend our national interests strongly."

Questions UK Motives

PY301450 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1315 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- The Argentine Foreign Ministry today summoned the ambassadors of all those countries that fish in the South Atlantic to reassert the Argentine position that it will continue to uphold "the same [fishing] policy" despite Great Britain's decision to impose a fishing exclusion zone 240 km around the Malvinas Islands; and to express its "great concern" over any eventual agreement that third nations may sign with Great Britain in this regard.

This was reported this morning by Foreign Minister Dante Caputo in a statement he made to Radio Continental. Caputo also admitted that Argentina may call an urgent meeting of the Inter-American Reciprocal Assistance Treaty (TIAR) because the British decision is a virtual aggression against a TIAR member-country.

Caputo expressed his conviction that within the next few days the Argentine Senate will approve the general fishing agreement with the Soviet Union. He also regretted the fact that this agreement was not approved before the British made this unilateral decision.

The foreign minister reasserted that under the pretext of safeguarding fish resources and the environment, London "found a way to extend its position" in the South Atlantic. He attributed this decision to electoral considerations. In this regard, he said that on 18 October a British newspaper published a statement made by the president of the ruling British Conservative Party who called for a revival of the "Malvinas spirit" to be able to win the upcoming elections.

Answering a question, Caputo said the Foreign Ministry is studying the possibility of resorting to all available diplomatic tools, from the United Nations, and the Nonaligned Movement, to the OAS.

TROCCOLI SUMMONS PARTIES TO FALKLANDS BRIEFING

PY310019 Buenos Aires TELAM in Spanish 2338 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- Argentine Interior Minister Antonio Troccoli has summoned the heads of several political parties to a meeting during which Foreign Minister Dante Caputo will report on Argentina's position in view of Great Britain's decision to extend the economic exclusion zone around the Malvinas Islands. This meeting wil be held in the Hall of Shields of the Interior Ministry, and Interior Minister Facundo Suarez Lastra will be present.

The following leaders have been invited: Vicente Saadi for the Justicialist Party; Edison Otero for the Radical Civic Union; Julio Amoedo for the Popular Conservative Party; Carlos Auyero for the Christian Democratic Party; Rafael Martinez Raymonda for the Progressive Democratic Party; Francisco Manrique for the Federal Party; Mariano Lorences for the Intransigent Party; Rodolfo Calvo for the Integration and Development Movement; Guillermo Acuna Anzorena for the Popular Line Movement; Francisco Pasini for the Socialist Democratic Party; Guillermo Estevez Boero for the Popular Socialist Party; and Alvaro Alsogaray for the Democratic Centrist Union.

FISHING SECTORS TO CONTINUE FALKLAND OPERATIONS

PY301340 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1213 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- The Argentine Chamber of High-Sea Fishing Freezer Boat Operators, whose members will be hardest hit by the British decision to extend the exclusive economic zone, has stated that if the decision is approved by the British Parliament it will cause "great damage to the national industry."

However, the chamber's President Alfredo Pott said to NA that its members "will continue to operate in the zone" until the Argentine Government makes a decision which "the chamber will have to obey." He added: "Our industry already lost a large part of its production during the South Atlantic conflict and will now suffer a greater loss."

Yesterday, immediately after learning about the British decision, businessmen, members of the chamber of boat operators and union leaders of the fishing sector of Mar del Plata came to Buenos Aires to find out about the decision and its eventual consequences for the national industry.

Regarding the British decision, Alfredo Pott told NA that "according to our information the final decision has not yet been made because the measure which was announced by the British foreign minister must be approved by Parliament." Pott added: "If the decision is approved it will mean a great change in British foreign policy because so far tht country has never extended its alleged sovereign territory further than 3 miles."

Pott indicated there are four or five fishing boats from his sector operating in the area and that "until the Argentine Government decides otherwise, they will continue to fish." Pott explained that the fishing his sector is carrying out in that zone, which falls in the area Great Britain wants to extend, represents one third of the commercialized production in the entire country. He added that if the British decision is implemented "it will cause great damage to the industry because it means losing territory in which we operate."

Protest Soviet Agreements

PY301854 Buenos Aires DYN in Spanish 1407 GMT 28 Oct 86

[Text] Buenos Aires, 28 Oct (DYN) -- Those associations that group the Mar del Plata fishing producers and fishing sectors protested again today against those agreements Argentina has signed with the Soviet Union and Bulgaria, because they believe these agreements will not contribute to reactivate the fishing sector, and instead threaten to depredate seas. These groups have issued an open letter in which they reject these agreements arguing that "the Argentine fishing sector will not endorse the mistakes of (Fishing Under Secretary) Luis Jaimes."

It must be noted these agreements will now be considered by the Senate as is standard procedure. Moscow authorities asked President Raul Alfonsin to seek rapid approval for the agreement during his recent visit to the USSR. On that occasion, Jaimes, who accompanied Alfonsin as a member of the official entourage, praised what the Argentine Government believes to be an important benefit for the Argentine fishing sector. He also denied these agreements could cause ecological problems and the depredation of species in the South Atlantic.

However, the Argentine Chamber of Fishing Ship Owners, the Argentine Association of Fish Producers; the Mar del Plata Fishing Industry Association, the Mar del Plata Naval Industry Association, and the Mar del Plata Union of Trade, Industry and Production (UCIP) have again protested against the approval of these fishing agreements. The open letter is also signed by the Mar del Plata United Maritime Workers Union, the Mar del Plata Pilots Union, the Mar del Plata Navy Workers Union, the Argentine Port Workers Union, the Fishing Industry Workers Union, and the CGT [General Confederation of Labor].

The signatories demand "to be able to compete and, therefore, to grow and thus fill the void caused by 18 months of ineffective management by the present under secretary of fishing, who has ignored the repeated demands of the private sector, who has been unable to propose a national fishing policy, and who dedicated his best efforts to the granting of fishing quotas to foreign fleets. They are thus implicitly alluding to the agreement that Argentina signed with the Soviet Union. During his recent trip to the Soviet Union, Soviet authorities asked President Alfonsin to seek a prompt approval of this treaty by the Argentine Senate.

The Mar del Plata fishing sectors state that "a healthy administration of fishing resources is the basis for any fishing development program, which, according to scientists from the National Institute for the Development and Research of the Fishing Industry (INIDEP), must start with a study on natural resources in the area."

The workers and businessmen of the fishing sector suggest that research be conducted "to establish the present maximum volume of fish that can be caught and the maximum sustainable yield" before approving the agreements with the USSR and Bulgaria and that a commission be established in charge of evaluating and approving research programs and eventual complementary agreements.

They also demand that "available fishing resources be allotted to those Argentine companies that process exportable resources and to those foreign companies that will make true foreign investments, that will transfer technology and open new markets so that Argentina may expand its possessions over the marine fauna instead of giving it up to third countries."

They expressed support for a national fishing law because without it "we will always be at the mercy of whoever is the official in charge and because we lack laws essential in promoting regenerating resources." The signatories add that "the democratic participation that is promoted by the government is not strengthened through the actions of the officials of the fishing sector who have distorted the truth, who impede the holding of dialogue, and who are the only ones responsible for the present conflictive situation."

The so-called general agreements to be approved by the Argentine Senate permit Bulgaria and the USSR to catch 180,000 tons of fish annually, provided they purchase an additional 30 percent from Argentine companies. These agreements also establish that Bulgarian and Soviet ships must allow 10 percent of their crews be manned by Argentine citizens. This means if they are to fulfill their tasks, Argentine fishermen will be able to enter the exclusion zone that was unilaterally imposed by Great Britain around the Malvinas Islands.

This possibility compelled Great Britain to submit a protest note that was rejected by the Argentine Foreign Ministry. Caputo rejected the British protest note saying "it would be like Argentina protesting because Great Britain fishes in its own jurisdictional waters."

Ministry Assumes Responsibility

PY301903 Buenos Aires DYN in Spanish 0235 GMT 29 Oct 86

[Text] Buenos Aires, 28 Oct (DYN) -- Through a confusing communique, the Economy Ministry has assumed responsibility for the agreements that were recently signed with the USSR and Bulgaria. The communique notes that "different Mar del Plata fishing industry, business, and union groups have repeatedly criticized the negotiations carried out by the (?fishing) under secretariat regarding the agreements that were recently signed with the USSR and Bulgaria."

It adds that "the objections raised, which in some cases have offended Fishing Under Secretary Luis Enrique Jaimes, have been the subject of exhaustive negotiations between Jaimes and representatives from the fishing union and business sectors." The communique adds that these negotiations, which were also attended by representatives of the Mar del Plata fishing sector, ended with the signing of an agreement [words illegible] that led to the discussion of an agreement with third countries."

It states "this new step in the fishing policy was proposed by the executive branch, and that for obvious reasons its implementation has been entrusted to the fishing under secretariat, but only in these areas that are strictly related to its specific activity. This activity has been carried out in complete coordination with the Economy Ministry while all the necessary measures have been adopted to safeguard Argentine fishing resources."

GENERAL SANCHEZ PRAISES MAJOR MILITARY MANEUVERS

PY302315 Buenos Aires DYN in Spanish 1909 GMT 30 Oct 86

[Text] Pampa de los Guanacos, 30 Oct (DYN) -- Almost 4,000 Army soldiers under the direct command of 7 generals on 2 November will end the various phases of the most importrant military maneuvers held since the Malvinas War, at a time when Great Britain decided to extend its so-called "exclusion zone" to 200 miles around the archipelago.

Paradoxically, the geographical features of the area where the maneuvers are being conducted are similar to those of the Malvinas Islands. The area is located approximately 100 km from the Patagonia coast and from Comodoro Rivadavia. The exercises include air support by A-4B fighter bombers headquartered in San Luis. After the British decision was made known, the fighter bomber crews were ordered to remain in the area. Navy units are also participating in the exercises. The aircraft carrier 25 de Mayo and other sea fleet units are sailing to Comodoro Rivadavia from the northern end of the Gulf of San Jorge.

The exercises, which have been conducted in various phases and in different periods of time, have been under way since 6 October in a large area of Patagonia including Neuquen and La Pampa Provinces, and the southern area of Buenos Aires Province, where the first part of the maneuvers were staged. After the restructuring of the Armed Forces, the southern region of Buenos Aires Province was placed under the jurisdiction of the V and IV Army Corps. Tanks, artillery, engineers, communications equipment, and logistical support units of the Tandil, Azul, Olavarria, La Tablada, and Magdalena garrisons and planes of air-sea unit No 1, which is headquartered in Punta Indio. participated in the maneuvers in the southeastern area of Buenos Aires Province.

Artillery Command 101, Junin and Ciudadela units, an artillery unit from the Sargento Cabral School for Noncommissioned Officers, and planes of the 4th Fighter Squadron of the Comandante Espora Air-Sea Base, which is headquartered in Bahia Blanca, participated in the Coronel Granada area (along the border with La Pampa).

V Corps engineering units and 11th Mechanized Infantry Brigade units participated in Santa Cruz Province, where between 9 and 23 October the forces were divided into two groups in the Comandante Luis Piedrabuena and Estancia La Primavera areas, to the north of Rostengek. In this sector, the ground forces receive air support from Pucara planes and long-range Canberra bombers, which are headquartered in Parana.

Troops of the 9th Infantry Brigade and of the 181 Armored Cavalry Reconniassance Detachment of Esquel, City Bell electronic intelligence and communications experts, and planes and helicopters of the Campo de Mayo Army Aviation Command participated farther north, in Chubut.

The Pucara and the A4B Douglas planes of the Air Force undertook exploration, reconnaissance, and direct air support tasks along the mountain range, barely 40 km from the Chilean border. All the units of the 6th Mountain Infantry Brigade participated in the maneuvers in this area. In an action that General Mario Jaime Sanchez, deputy chief of the Army General Staff, described as "brilliant." these units for 10 days engaged in simulated combat of great realism, resisting and repelling an invasion from across the mountain range. The invaders were soundly beaten with the help of modern artillery units and original combat methods; for example, motorcycles manned by commandos armed with light weapons like mortars and antitank devices.

The final phase of the exercises, which will end on 2 November on the Patagonia coast, will be conducted in the Pampa de los Guanacos, where the environment is similar to that of the Malvinas Islands.

After praising the forces that have participated in the maneuvers, Gen Sanchez said "the exercises have allowed us to test, with great realism, the psychological and physical capacity of the troops and their ability to cope with the various situations that occur in combat."

In conversations with unit commanders and officers, Sanchez praised the work performed and the "imagination and initiative that helped compensate for the budget restrictions burdening the nation, of which the Army is also a part."

GOVERNMENT FEARS CHANGES WITHIN COMMUNIST PARTY

PY292319 Madrid EFE in Spanish 2137 GMT 27 Oct 86

[By Alberto Francisco Arebalos]

[Text] Buenos Aires, 27 Oct (EFE) -- In a change of position that is worrying the government of Raul Alfonsin, the Argentine Communist Party (PCA), which is preparing to hold its 16th congress, intends to end its reformist tradition and, for the first time, is considering the issue of assuming the government.

In what is considered a decisive step toward the 16th congress, the Communists of the federal capital on Monday morning, 27 October, elected new officers and strengthened the "self-criticism" line announced a few months ago by the top leaders of the organization.

The federal capital and the urban belt that surrounds it -- so-called, Greater Buenos Aires -- are the electoral districts where the PCA has gained the largest number of votes, although so far it has not been able to win a seat in the Chamber of Deputies. Led by its young leader, Patricio Echegaray, the Communists of the Argentine capital will promote in the 16th congress -- scheduled from 4 to 8 November -- a "turn to the left" that will include "purging" several leaders who have ruled the party over the past few years.

The new PCA poltical strategy is marked by three fundamental points: Its position in relation to Peronism, which is supported by the majority of the working class; the creation of an electoral front for the upcoming elections; and the crucial question of struggling for power.

Concerning the first question, the new Communist leaders believe that, although the presence of the "Peronist masses" in the National Social Liberation Front (FLSN) is necessary, the PCA will not continue to support Peronist leaders charged with belonging to the "national bourgeoisie."

The Communists have apparently abandoned the idea of forming an alliance with "bourgeois" parties and have decided to struggle for power to guide Argentina, as Echegaray put it, toward the "path leading to socialism."

In this regard, criticism of the PCA "old guard" has been primarily focused on its 1983 electoral alliance with the Justicialist Party, which was finally defeated by the candidate of the Radical Civic Union, Raul Alfonsin. The PCA seems ready to give up its "reformism" and launch a new revolutionary policy.

According to what government sources have told EFE, this question concerns President Alfonsin himself, because it is feared that a radicalization of the Chilean conflict may cause a similar reaction by the PCA, which is in accord with the Manuel Rodriguez Patriotic Front (FPMR) -- the "armed branch" of the Chilean Communist Party. President Alfonsin has repeatedly criticized the shift observed within the PCA. According to undenied press rumors, Alfonsin discussed the subject with Soviet leader Mikhail Gorbachev and Cuban President Fidel Castro during his visits to the USSR and Cuba.

Another example of the drastic shift within the PCA, which is Marxist and pro-Soviet, is its alliance with the Trotskyite Movement Toward Socialism (MAS) to form the People's Front. In November 1985, this alliance almost won a seat in the Chamber of Deputies for Buenos Aires Province. Some critics of this alliance, including members of the PCA itself, say that the radical positions of the MAS have provoked changes within the once reformist PCA.

One of the most controversial aspects of the new Communist "self-criticism" is the review of the position adopted by Communist militants during much of the de facto regime. Apparently, some of them have been charged with calling for a "military-civilian" union then, and with criticizing the "mothers of Plaza de Mayo."

For this reason, as an indication that new policies and philosophies are being adopted by the PCA, the PCA Central Committee held a meeting in Buenos Aires to pay tribute to the 45 Communists who have been missing since the military dictatorship and to "Che" Guevara, who was severely criticized in Argentina in the past for his political "adventurism" in starting a guerrilla war in Bolivia.

CONSTANTINI REPORTS CLOSURE OF URANIUM PLANT

PY291727 Paris AFP in Spanish 0238 GMT 29 Oct 86

[Text] Cordoba, Argentina, 28 Oct (AFP) -- A uranium processing plant located in Sierra de los Gigantes, Cordoba Province, some 750 km northwest of Buenos Aires, was closed on 24 October to prevent possible risks of contamination.

Alberto Constantini, head of the National Commission for Atomic Energy, today reported the closure and affirmed that, so far, no contamination has been detected in the privately-run plant.

The waste pools, which collect mostly acids, were almost full and might have overflowed if it rained and could have contaminated an adjacent stream. Constantini said that, following this preventive measure, other solutions, such as the construction of new pools to collect the uranium waste, will be sought.

DEFENSE OFFICIAL EXPLAINS MILITARY DOMESTIC ROLE

PY282314 Buenos Aires BUENOS AIRES HERALD in English 28 Oct 86 p 11

[Text] (NA) -- "The Armed Forces will be able to intervene in internal conflicts if police and security forces are overwhelmed, and only if they are summoned by the executive power," specified Defence Secretary Alfredo Mosso yesterday. "If the security forces cannot manage, the population will not be left defenceless, as there will be no inconvenience in summoning the Armed Forces," said Mosso in reference to the newly-passed defence law. Finally, he explained that "what matters is the order for the summoning, the police and security forces come first" in case of an eventual outbreak of subversion.

INTERIOR MINISTER CRITICIZES RESIGNATION REQUEST

PY301620 Paris AFP in Spanish 1442 GMT 29 Oct 86

[Text] La Paz, 29 Oct (AFP) -- Interior Minister Fernando Barthelemy today charged leftist sectors with attempting to destabilize Victor Paz Estenssoro's government by proposing the removal of three ministers in connection with the Huanchaca case.

The opposition has called for the resignations of Barthelemy, of Defense Minister Fernando Valle, and of Foreign Minister Guillermo Bedregal. Barthelemy said some politicians are just trying to use the Huanchaca case to attack the government.

The Huanchaca case began on 5 September when zoologist Noel Kempf and two aides were murdered by drug traffickers. Later, the largest cocaine processing plant in Bolivia was accidentally discovered in that area.

Barthelemy said he cannot understand how they (the leftist politicians) can request the removal of the one minister who has attacked drug trade, something that has caused such great, head-on damage to Bolivia.

Upon concluding that the authorities could have known about the existence of the cocaine factory, but failed to take any action to destroy it, a congressional investigative commission has requested that Congress consider the possibility of censuring the three ministers. If Congress approves the request, there will have to be a cabinet reshuffle because the three ministers will have to resign.

Congress DEA Ruling

PY310057 La Paz La Red Panamericana in Spanish 0001 GMT 31 Oct 86

[Text] Foreign Relations Minister Guillermo Bedregal Gutierrez has said that the DEA officials who enjoy diplomatic immunity will be expelled from the country if it is requested by the Bolivian Congress, which is investigating the Huanchaca case. He added that any resolution adopted by the Congress regarding the presence of DEA officials in the country will be fulfilled.

Antidrug Forces Reshuffled

PY301606 Madrid EFE in Spanish 1529 GMT 29 Oct 86

[Excerpt] La Paz, 29 Oct (EFE) -- The Bolivian Government today decided to reshuffle the personnel assigned to the Mobile Unit for Rural Areas (Umopar), a specialized antidrug force whose members are called "Leopards."

The decision was made a few hours before a Bolivian congressional session was to begin. The session was called to study the conclusions of a special congressional investigative committee on the Huanchaca case, that is, the case of a team of scientists that was attacked by drug traffickers. Interior Minister Fernando Barthelemy announced that the "Leopards" will be replaced by personnel of the Special Security Force [Grupo Especial de Seguridad] (GES), a branch of the Bolivian Police.

The reshuffling within UMOPAR comes just before a congressional session is scheduled to begin. The session will discuss an opposition demand for the resignation of the ministers of interior, defense, and foreign relations, because of their irresponsible actions in the antidrug fights; and a complete reshuffling within antidrug organizations proposed by the Nationalist Democratic Action (ADN) in its report on the Huanchaca case. [passage omitted]

FOREIGN MINISTER ON RAPPROCHEMENT WITH CHILE

PY301524 La Paz La Red Panamericana in Spanish 1130 GMT 30 Oct 86

[Text] Foreign Minister Guillermo Bedregal Gutierrez has said that there are no negotiations with Chile over the maritime problem, that what is being conducted is a process of relaxation of tensions to facilitate future negotiations with that country. Bedregal added that what has been done so far is a rapprochement aimed at achieving a consistent, responsible and definitive negotiation of the maritime problem. He said: What we have been doing is a process of relaxation of tensions which I believe is essential, because negotiations cannot be conducted with anyone amid suspicion, insults, and emotional situations. I believe that since February we have made significant progress in this direction.

Regarding the Bolivian and Chilean Governments' decision to begin consular relations and to discuss trade, transportation, immigration matters and other issues, Bedregal indicated that the decision does not mean that we have omitted other issues that could be negotiatied in the future.

BEDREGAL HAILS PRC ENVOY ASSIGNMENT 'DAY OF JOY'

PY301930 La Paz La Red Panamericana in Spanish 1700 GMT 30 Oct

[Text] The new PRC ambassador to Bolivia this morning presented his credentials to President Victor Pas Estenssoro. (Yang Tao) is the first PRC ambassador in Bolivia since our country reestablished diplomatic relations with that nation. The ceremony, held in Government Palace, was simple but solemn. After the ceremony, the new ambassador told the press that the agreements signed during the visit Bolivian Foreign Minister Guillermo Bedregal made to China will be fulfilled.

Foreign Minister Guillermo Bedregal said that today is a day of joy because the PRC diplomatic mission in our country has been accredited.

[Begin Bedregal recording] I had the privilege of attending for the first time as foreign minister the inauguration of the PRC Embassy. Today is a day of joy with the presence of the first PRC ambassador in our country. The agreements signed in Beijing will be implemented now that we have a mission chief whom we believe has exceptional qualities as a diplomat and who knows Latin America. [end recording]

DISCUSSES TRADE, NICARAGUA AT ITAMARATY

PY301412 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Oct 86 p 6

[Text] At the end of a 2 1/2-hour meeting yesterday, U.S. Assistant Secretary of State for Inter-American Affairs Elliott Abrams and Under Secretary for Bilateral Affairs Ronaldo Costa admitted that the problem of the market reserves in the informatics field is still not reflected in Brazilian-U.S. political relations.

Abrams, who will be received at Planalto Palace today, said "I have not come to discuss any specific issue. I am here to discuss with President Sarney any subject he may wish to broach." He said that he was not bringing any message from Ronald Reagan to President Sarney. Ronaldo Costa criticized the way in which the media has handled the informatics issue, stating that it is up to the Brazilian Government "to conduct the issue in an adequate manner in order to safeguard our interests and coexistence."

Costa described the Brazilian-U.S. political relations as "good." He stated that "we have different points of view and feelings on some issues, but these differences are not a matter of conflict." Costa said that during the meeting Abrams had referred to the U.S. deficit in the trade balance with Brazil, noting however, that Washington recognizes the importance of Brasilia maintaining a surplus in order to be able to meet its foreign debt commitments.

Costa said that, in referring to Nicaragua, Abrams stated that the United States "wants a constructive world" in that country and that "the U.S. objective in Nicaragua is not to oust the government but to get it to fulfill its original promise to establish a democracy."

Ronaldo Costa said that regarding Chile, Brazil and the United States share "identical" points of view in the sense that the two countries hope for a democratic regime for that country. He ended by stating that "how Chile will reach democracy is the exclusive problem of the Chileans" noting that the Brazilian Government continues to respect "the principle of nonintervention."

ITAMARATY ISSUES STATEMENT ON FALKLANDS DISPUTE

PY302345 Buenos Aires TELAM in Spanish 2226 GMT 30 Oct 86

[By Cesar Crenzel]

[Text] Rio de Janeiro, 30 Oct (TELAM) -- Rui Nogueira, spokesman of the Brazilian Foreign Ministry, has given the media the text of the official declaration issued this afternoon in Brasilia on the Malvinas issue.

During a press conference beforehand, the spokesman stated that his country has recognized Argentine sovereignty over the Malvinas Archipelago since 1833. As a consequence, he said, Brazil understands that all acts deriving from the right to exercise sovereignty should be carried out by Argentina. Therefore, Brazil does not recognize that the United Kingdom enjoys the rights of a costal state.

The following is the text of the Itamaraty declaration:

With reference to the declaration issued by the British Government on 29 October and the communique issued by the Argentine Government last night (Wednesday, 29 October), the Brazilian Foreign Ministry reiterates the support it has given since 1833 to the Argentine claim over the Malvinas Islands and everything this sovereignty implies. In compliance with the resolution issued by the United Nations and also in keeping with the spirit of our diplomacy, Brazil urges Argentina and the United Kingdom to find a peaceful and lasting solution to their dispute.

Thus, Brazil seeks, with the means it has at hand, to contribute to the preservation of the climate of confidence that will favor a negotiated solution to the problem. Within this context, our expectations were strengthened by the creation of a zone of peace and cooperation in the South Atlantic, a project which has just been approved by the United Nations with the support of Argentina and the favorable vote cast by the United Kingdom.

Upholding its historic position on the dispute over the Malvinas, Brazil views with great concern any unilateral decision that may increase tensions in the South Atlantic and that may thus compromise the climate of confidence necessary for a solution of the dispute. In view of this situation, Brazil reasserts its support of the UN General Asembly resolutions on this issue.

U.S. TECHNICIANS ASSIST WITH ANGRA 1 PROBLEM

PY301449 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Oct 86 p 1

[Text] Another accident occurred at the Angra 1 nuclear plant last Saturday. A failure developed in the diesel-fuel generator that is intended to keep the refrigeration system operating in case of emergency. A group of ecologists, who were staging a protest against nuclear energy in front of the plant, did not notice that something was wrong inside the plant. Since Brazilian technicians could not fix the problem, U.S. technicians had to be called in and they arrived in Angra does Reis yesterday. The accident was revealed yesterday in Sao Paulo by Camilo Penna, current Furnas Electric Company president and former government minister, who is responsible for the Angra 1 nuclear plant. Although the court has already authorized the resumption of the plant operation, Angra 1 will only be put back in operation once the generator has been fixed. Penna, however, does not know when repairs will be completed: "Only God knows about the future and Angra will return to operation whenever God wants."

PLANNING MINISTER VIEWS IMF BEFORE JAPAN TRIP

PY300359 Rio de Janeiro Rede Globo Television in Portuguese 0125 GMT 30 Oct 86

[Text] Planning Minister Joao Sayad will travel to Japan tomorrow. He will propose cooperation projects with Japanese companies and has expections of obtaining a loan for the National Economic and Social Development Bank [Banco Nacional de Desenvolvimento Economic e Social].

Sayad will also speak with Japanese bankers and explain the Brazilian Government's position toward the IMF.

[Begin Sayad recording] Brazil has an economy that owes approximately $100 billion, dating back to 1982. Out of this $100 billion, Brazil has already paid 42 [not further specified].

Brazil has an economy that, despite the prevailing international crisis, is not affected by a crisis. Therefore, Brazil does not need the IMF's presence. We can [changes thought] -- It is efficient for looking after the international economy, but Brazil is a country that is not affected by a crisis. Therefore, we do not need the ostensible presence or the monitoring of the IMF. [end recording]

VARIG SUSPENDS BELEM-PARAMARIBO SERVICE

PY292347 Brasilia Domestic Service in Portuguese 2200 GMT 29 Oct 86

[Text] The Brazilian Government is closely following the events in Suriname, where the increasingly strong actions of groups that oppose the government has led to an escalation of violence, especially in the central region and along the border with French Guiana.

Itamaraty spokesman Rui Nogueira has said that the Brazilian Foreign Ministry receives reports daily from Brazilian Ambassador to Suriname Sergio Bath and that the Brazilian citizens who live or work at the embassy are experiencing no problems thus far.

Varig airlines has informed Itamaraty that it suspended its Belem-Paramaribo flights on 28 October. The flights, which include a stopover in Cayenne, were suspended for security reasons because Janjerg Airport, 50 km from Paramaribo, offers no guarantee for civil flights.

DAILY DESCRIBES 'OBSOLESCENCE' OF ARMED FORCES

PY291359 Sao Paulo FOLHA DE SAO PAULO in Portuguese 26 Oct 86 p 18

[By Roberto Lopes]

[Text] An Army that lacks the money to purchase the tanks which its own country manufactures; a Navy that takes five years instead of one to refit a conventional submarine; an Air Force whose main combat airplanes feature 25-year old technology -- the picture is grim but it is the real situation of the Brazilian Armed Forces.

Not even the political power that was accumulated by the military during their 21 years in power (from 1964 until 1985) served to rid the ground troops, the Naval and Air Squadrons of obsolescence, of the need to improvise which, as proven by 4 years ago by the Argentines during the Falklands war, takes its toll in human lives.

On 20 October, during what was supposed to be a display of the Brazilian Air Force (FAB) power for the president of the Republic, Air Force Commander Brigadier Rosa Filho gave a "warning": the Air Force does not have the necessary equipment to defend the country's sovereign air space. In addition to operating obsolete airplanes, it teaches its combat pilots outdated strategy.

Brazil, which has the largest Armed Forces in Latin America comprising 280,000 men, until the first half of the 80's, used the small U.S. Stuart tank, which was produced back in the 30's and derisively called the "tree frog" [perereca] here.

In 1982 -- the difficult year of the South Atlantic crisis -- the Navy had all three of its most modern submarines (the British Oberon type) in the Rio de Janerio Naval shipyard for repairs. At that time, only the Humaita was able to operate in an emergency, but only by using two of its engines. The two attempts made by the Navy (in 1982 and 1985) to convert its old carrier Minas Gerais into an attack unit -- by the FAB acquisition of vertical-landing jets of the Harrier type -- failed. The Air Force General Staff considered the purchase of such airplanes too costly and a secondary priority, but this position always entails Air Force jealousy, and an attempt to keep their planes as far away as possible from the Navy -- an issue which almost sparked a conflict between the two forces in 1965 (when the FAB had to hand over to the Navy its operational airplanes) -- and which, in strategic terms, represented a setback of at least 40 years.

The military commanders which came after 1964 promoted a war industry that should have allowed the country to acquire a reasonable level of self-sufficiency in the production of weapons. Of all these initiatives, the only successful one was that of Embraer [Brazilian Aeronautics Company], which was created in 1966. The only success of the Army's Ordnance Industry (IMBEL) -- created in 1977 -- was to bring a few old Army factories together. Managed by generals as any other military unit, IMBEL, during the previous administration, had to be given a hand by Jose Whitaker Ribeiro, president of Engesa [Specialized Engineers, Inc.], but it is still facing problems mainly due to the Army's lack of the necessary resources to keep the industrial complex up-to-date.

The call for bids to choose a new helicopter is not ready yet and the government has not even chosen the site where the country's new helicopter factory will be established, but the Army has already decided that its first fleet of helicopters should be formed and ready to operate by July 1988.

The solution to the problem is that foreign enterprise will be awarded the bid in Brazil and supply the first group of helicopters. The cost of these helicopters will be deducted from the capital that the supplier would have to contribute to the venture, along with national capital. However, such imagination cannot always solve the problems of an Army with few resources.

For example, when the Army and the Sao Paulo enterprise Avibras [Brazilian Airspace Industry] concluded the cooperation phase for the development of the Astros II rocket and tried to negotiate for a battery of these rockets, they were not able to reach an agreement. The Army's War Material Department [DMB] considered the Avibras price for the rockets beyond the force's financial possibilities. Engesa, which manufactures armored vehicles, was more understanding, and last year closed a courteous deal by which, in recognition of the DMB's support for the introduction of its Osorio tank on the international market, will offer the Army 5 percent of the number of Osorio tanks sold to a foreign country.

Until it receives the Osorio tanks, the Army is training its personnel with a reconditioned version of the old U.S. M-3 A-1 Stuart, the latest thing in light tanks in 1939. More than 100 of these tanks, which have been rebaptized the X-1 A-2, are currently operating.

The modernization of the Stuart tanks was a cheap solution but not deceitful enough to drag the attention of the six other Latin American armies that still have this type of tanks. Despite the catalogues printed by the Sao Paulo enterprise Bernardini, which was responsible for modernizing the Stuart tanks, no orders for the X-1 A-2 were received from abroad. FOLHA has found out that the Bernardini management admits that its latest tank, the Tomoyo light tank, is not sophisticated or competitive enough for the disputed international market, but it attributes its meager success to the lack of more specific and demanding requirements by Army officers specializing in armored vehicles.

To attack missile-carrying frigates with small Xavante airplanes (constructed with 15-year-old Italian technology), or using F-5 fighters -- designed for interception operations or to attack ground targets -- to cover the airspace of the Navy Squadron vessels, are two of the improvisations to which the FAB has resorted to during the past 10 years.

The technique of attaching sophisticated vessels using fragil Xavantes produced by Embraer (The Sao Paulo enterprise based in Sao Jose dos Campos) is being developed by the group in charge of training the FAB fighter pilots, based in Fortaleza (Ceara). According to the exercises developed in the northern coast, this type of attack has a good chance of being successful as long as they are carried out by three airplanes all attacking simultaneously from different directions and in a perfectly coordinated manner. In order for this type of attack to be successful, clear and accurate shots, agile and risky escape operations, and a good dose of luck will be necessary.

In the Falkland Islands airspace in June 1982, none of that was enough to prevent the British from landing on San Carlos Bay, and later, the defeat. There, an Argentine Navy Aermacchi -- the youngest and most sophisticated brother of the old MB-326-G Xavante of the FAB -- alone bravely attacked Her Majesty's frigates. The pilot and airplane returned to the base (on Argentine continental territory) almost unscathed, but without causing any significant damage to the attacking squadron.

According to Navy officers the F-5E's have little use in naval operations. The F-5E's are not designed for naval combat, do not have the necessary range to operate far from the coast, and they require a special training process if interception operations and bombing ground targets are regarded as priority issues. The trouble is that the Air Force, which by law has the priviledge to operate military aircraft in the country, refuses to admit the need for effective Navy air power -- as if it feared that this would be the first step toward the Navy obtaining its own airplanes.

At the end of Figueiredo's administration some admirals holding key posts in the Navy Ministry in Brasilia agreed that the end of military governments and the need for new alliances could prompt the "New Republic" to reconsider the Navy's request to operate its "own aviation." There were plans to change the situation by creating an "inoffensive" air transport force for the Navy but this project was never even tried out.

On the morning of 13 December 1973 the submarine Humaita, the first of a series of three Brazilian submarines of the British Oberon class, ceremonially sailed through the Guanabara Bay toward the Admiral Castro e Silva submarine base. The Oberon submarines were a breeze of modernization in the submarine fleet which, almost 30 years after World War II, still used the U.S. submarines that served during that war.

In 1978, however, the Huanita entered the Rio de Janeiro Navy shipyard to be thoroughly refitted. This should have taken one year but at the end of five the Humaita still was not ready. The shipyard was not equipped to carry out the so-called "refit" [preceding word in English] operation for this type of vessel and had to send its officers to training courses abroad, and import the adequate machinery for the job. The huge task for the shipyard ended when it was discovered that the main repair to the axis of the crankshaft of one of the submarine's engines could not be done. The spare parts at the shipyard did not fit the Humaita.

The Brazilian Navy asked the Chilean Navy, which also operates Oberon submarines, for the spare part but the one that was sent did not fit either. There wasn't even a crankshaft to fit the Humaita at the vessel's manufacturers in England. A special order for the production of this spare part was necessary and the submarine was only able to sail again, using the power of its two engines, last year. So far the three submarines of the Oberon class are, together with the six frigates (also built with British technology) of the "Niteroi" type and half a dozen small mine sweeper vessels made in Germany the best that the Navy can mobilize.

REVISED CRUZADO PLAN SHRINKS PUBLIC SECTOR

PY291141 Rio de Janeiro Rede Globo Television in Portuguese 0230 GMT 29 Oct 86

[Text] The government is changing its position. That's right, the adjustments to the Cruzado Plan will be far smaller than that expected by everyone. This was the conclusion reached by Finance Minister Dilson Funaro together with his closest aides after spending a whole weekend discussing this subject in Sao Paulo.

Discussions were also held early this morning with President Sarney. The president told Minister Funaro and Planning Minister Joao Sayad that his government wishes to encourage investments which fuel the economy.

[Begin reporter Marcelo Netto recording] The government's attitude has changed. Excessive demand on the public sector will be cut. Government expenses will be cut, and the process of privatization of government companies will be hastened. Some state companies will be sold at auction.

The government also thinks it will be very difficult, indeed it has still not adopted any decision, whether to order those with a large income to open a compulsory savings account. The government wishes to maintain the income distribution promoted by the Cruzado Plan. Despite the inevitable criticism, the government will modify the way in which the IBGE [Brazilian Institute of Georgraphy and Statistics] calculates the inflation rate. The rate will now reflect, in a more realistic manner, the prices of the products consumed by the lower income sector.

In this way it will be easier to readjust the prices of the products that were caught off balance [foram pegos no contrape] by the Cruzado Plan, such as milk, medicines, and even cars, without increasing the inflation rate. [end recording]

GOVERNMENT EXTENDS AREA OF TERRITORIAL WATERS

PY240400 Paris AFP in Spanish 1811 GMT 23 Oct 86

[Text] Santiago, 23 Oct (AFP) -- Effective today, Chile will exercise jurisdiction over a 24-mile area off its coast, according to what was established by a legal amendment approved by the Government (legislative) Junta.

At one time, this South American country controlled a 12-mile area, and claimed fishing and seabed exploitation rights over a 200-mile area off its continental coast. Chile claims exclusive rights for mineral prospecting on a 300-mile area of the sea floor around its Pascua and Sala-y-Gomez Islands in the southeastern Pacific Ocean.

The text of the amendment adopted today, which modifies articles of the Civil Code, establishes that a new 12-mile area will be added to the original 12-mile territorial sea. In this new area, to be called the adjacent sea, Chile will exercise jurisdiction to prevent and to sanction violations of its laws and regulations on customs, taxes, immigration, and health.

The amendment also adds that the sea area located between the 24-and 200-mile area will be called Exclusive Area for National Economic Prospecting and Exploitation of the sea waters, the seabed, and the seabed subsoil.

MERINO CRITICIZES UN SOUTH ATLANTIC RESOLUTION

PY291658 Paris AFP in Spanish 0102 GMT 29 Oct 86

[Text] Santiago, 28 Oct (AFP) -- Admiral Jose Toribio Merino, commander in chief of the Chilean Navy, has described as serious the UN decision to declare the South Atlantic a zone of peace because of the adverse consequences it could have on Western countries.

Merino, who is a member of the Government Junta, said that a similar decision was made in 1981 when the Soviet Union proposed that the Indian Ocean be declared a sea of peace. Merino said: The Russians are already in the Atlantic by virtue of a fishing pact, treaty, or agreement signed with Argentina. They are now fishing in a very controversial area for us because it is very difficult to establish dividing lines in the Atlantic and because they are fishing right across from us.

Merino reported that 81 Soviet and Polish ships were fishing this morning between La Serena and Talcahuano, 350 miles out at sea. Merino charged that it has now become very easy to introduce any amount of materiel into Chile through this practically open border.

He noted that a similar maneuver is now taking place in the South Atlantic. One must consider that at least 60 percent of the oil consumed in the world -- practically 90 percent of the oil needed by Europe and 40 percent of that used by the United Staes -- is shipped round Cape Horn and the Cape of Good Hope. Merino concluded by stating that the Soviets could again cause problems for Great Britain, the Netherlands, and France, [as received] by objecting to their facilities on the Falkland Islands.

VENEZUELAN AMBASSADOR ON BORDER COOPERATION

PA310237 Bogota Television Service in Spanish 0001 GMT 31 Oct 86

[Text] The news that Colombian guerrillas have been purchasing Venezuelan military weapons has created a crisis in the Venezuelan Government.

Caracas newspapers have reported on an investigation conducted by military intelligence. It has been found out that ELN has purchased arms and ammunition from officials of the Venezuelan military industry. So far, 18 people have been detained, including several officials of the Venezuelan Military Industries, Inc., Cavim.

Venezuelan Ambassador Luis Lacorte said that the investigation is being carried out by the military penal authorities in great secrecy. He also said that the two governments are making efforts to cope with the guerrillas' activities on the common border.

[Begin Lacorte recording] Regarding activity at the border, particularly in the Arauca area, there is constant communication between Venezuelan and Colombian authorities. This has permitted the Venezuelan authorities to successfully resolve some abductions that have occurred. In addition, some clashes have resulted in a number of dead. In this way, more information has been gathered regarding the investigation under way. [end recording]

CUBA DISCUSSES REESTABLISHMENT OF RELATIONS

PA301904 Bogota Television Service in Spanish 1730 GMT 30 Oct 86

[Text] A Cuban Foreign Ministry source has reported that Colombia and Cuba are holding meetings to discuss the reestablishment of diplomatic relations. According to the source, the meetings are being held in New York City. The source said that the fact that the two countries have not exchanged ambassadors does not affect the good relations between the two governments.

OFFICIALS ARREST MAN FOR U.S. EXTRADITION

PA292011 Bogota Television Service in Spanish 1730 GMT 29 Oct 86

[Excerpts] Following instructions by the Justice Ministry, members of the Administrative Department of Security, DAS, today arrested Javier Alvarez Alvarez in the City of Armenia. The United States requested his extradition on charges of money laudering. [passage omitted]

The arrest warrant was issued through Memorandum 24-26 of December 1984, Verbal Note No. 931 of the Ministry of Justice.

Courts Reject U.S. Requests

PA290232 Bogota Television Service in Spanish 0001 GMT 29 Oct 86

[Text] The Supreme Court of Justice today turned down the U.S. Government's request for the extradition of two Colombian citizens. The two citizens have been accused of drug trafficking by the U.S. Government. They are Alberto Silva and Carlos Pereira. The Supreme Court of Justice says that it has no information about their whereabouts because these two mean have not yet been arrested. Likewise, there is no information about them, and no charges have been presented against them.

GOVERNMENT OFFICIAL DENIES CONTRA AID SUPPORT

PA301847 Quito Voz de los Andes in Spanish 1130 GMT 30 Oct 86

[Text] THE MIAMI HERALD has said the governments of Honduras, El Salvador, and Guatemala; and members of rightist groups in Colombia, Venezuela, Ecuador, Brazil, Saudi Arabia, the ROK, and Taiwan have formed a network sponsored by the Reagan administration that has maintained arms supplies for the Nicaraguan contras during the last 2 and 1/2 years. THE MIAMI HERALD stated the Ecuadoran Government provided funds to finance top contra leaders' trips. In this regard, Marco Lara Guzman, the national secretary of public information, said:

[Begin recording] [Lara] The Ecuadoran Government absolutely and completely denies that report, regardless of where it originated. The U.S. newspaper cited in the report apparently furnished that information, and an international press agency apparently disseminated it.

In any case, regardless of the origin of those rumors, they will always remain mere rumors. I reiterate the Ecuadoran Government absolutely and categorically denies ever having given support to the so-called counterrevolutionaries who are struggling to attain a change of government in Nicaragua.

I want to point out that these rumors can or could be -- please notice that I am using the subjunctive tense -- could be part of an international discredit campaign organized by sectors aimed at specific countries that do not please them or fulfill their expectations. However, I cannot make any assertions until I have evidence.

[Reporter] What is the government going to do to prove those reports false?

[Lara] According to Ecuador's and to the world's legal system -- including that of the heart of Africa, where there are cannibals or where there used to be cannibals -- evidence must be presented by those who make the assertions. One does not have to prove one's innocence; the person making the charges has to prove that one is guilty, because otherwise everybody would be going around proving their innocence and that would create a crazy situation. Thus, those who are making the assertions have to prove their charges true. In addition, they have contradicted themselves: many sectors of the interested party [not further identified] consider the word Somozist a bad word; yet for this news report, that work was not a bad word because the information was released by a former Somozist diplomat -- the type of person who is sometimes regarded as an outcast, as a person who should not be believed except when it suits those parties' purposes, and this looks like one of those cases.

[Reporter] Mr Lara, is there not a precedent to the break of diplomatic relations with Nicaragua?

[Lara] The break in diplomatic relations with Nicaragua is merely that, the suspension of diplomatic ties. But that does not imply in any way support for the so-called contras, as the report says. The support for the contras involves the delivery of weapons, money, or other things and Ecuador has never done that. Ecuador broke diplomatic relations with Nicaragua because we considered it necessary to defend and maintain the respect that is owed us. [end recording]

ALFARO LIVES ANNOUNCES CREATION OF NEW COMMAND

PA301456 Paris AFP in Spanish 0418 GMT 30 Oct 86

[Excerpt] Quito, 29 Oct (AFP) -- In a clandestine [as received] communique issued in Quito today, the Ecuadoran Alfaro Lives (AVC) subversive group announced the creation of a new "command" called "1986 Alfarist Martyrs."

The new command condemned the "assassination" of top AVC leader Arturo Jarrin Jarrin on Sunday, expressed solidarity with his family, and reiterated its "unwavering decision to continue in the struggle until the victory of the Alfarist people."

The new "1986 Alfarist Martyrs" command is named in memory of Jarrin, his deputy commanders Hamet Vasconez and [name indistinct] Basantes, killed in September [words indistinct] the alfarists persecuted Basantes, killed in September [words indistinct] the Alfarists "persecuted, imprisoned, tortured, missing, and assassinated."

The communique is signed by the leaders of the new command, Emiliano Mendieta Flores, Felipe Rojas Galarza, and Isabel Marin Veliz, names that to date had been unknown.

Meanwhile, the "Hamet Vasconez" command has been peacefully occupying the San Vicente Church in Guayaquil since Monday. [passage omitted]

FINANCE, CREDIT MINISTER CORDOVEZ SWORN IN

PA310156 Quito Radio Quito in Spanish 2300 GMT 30 Oct 86

[Excerpt] A few minutes ago, Domingo Javier Cordovez Perez was sworn in as the new finance and credit minister. He is replacing economist Alberto Dahik who was dismissed by the National Congress after being censured. In his first remarks to the press as finance and credit minister, Domingo Javier Cordovez Perez thanked President Leon Febres Cordero for trusting him. He said he will manage the resources of the Ecuadoran people with justice and fairness. [passage omitted]

BRIEFS

DRUG AGREEMENT WITH PERU -- Quito, 30 Oct AFP -- Foreign ministry officials have reported that the Peruvian-Ecuadoran agreement against drug abuse and trafficking went into effect this week. The agreement was signed during Peruvian Foreign Minister Alan Wagner's official visit to Ecuador in October last year. Among other provisions, the agreement calls for joint operations on the borders between the two countries and for the appointment of an advisory commission that will recommend measures to control drug abuse and trafficking. [Summary] [Paris AFP in Spanish 0319 GMT 31 Oct 86 PA]

COMMUNIQUE REBUKES U.K., SUPPORTS ARGENTINA

PY310249 Paris AFP in Spanish 0219 GMT 31 Oct 86

[Text] Lima, 30 Oct (AFP) -- The Peruvian Government tonight extended its support for Argentina and emphasized that a harmful tendency toward the arms race, which is contrary to the region's peaceful intentions, could be the result of Great Britain's unilateral decision concerning the Malvinas Islands.

The Peruvian Government issued an official declaration stating its will to decisively contribute to overcome once and for all this problem, which affects Latin America as a whole.

"Peru acknowledges Argentina's sovereign rights over the Malvinas and deplores Great Britain's unilateral decision to establish a 200-mile fishing, preservation, and administration zone around the islands," the communique emphasized.

It also stated Great Britain's decision could have negative effects on the security of all the countries of the region and thwart the efforts of the Argentine Government to arrive at a peaceful solution to a conflict that requires the active solidarity of all Latin American countries.

The declaration conveys "the strong rejection of the Peruvian people and Government of any measure capable of hampering the peaceful solution of this conflict," and reaffirmed "the unwavering Peruvian-Argentine solidarity."

STATE OF EMERGENCY EXTENDED IN CALLAO, LIMA

PY301237 Lima Television Peruana in Spanish 0100 GMT 30 Oct 86

[Text] The state of emergency has been extended for another 60 days in the Callao and Lima provinces. However, the right of assembly has been fully restored and the right of movement partially reestablished to allow campaigning for the upcoming elections.

The Armed Forces will continue to guarantee internal order in these provinces, and the authorities of the prefectures will control the exercise of the right of assembly.

BRIEFS

DRUG TRADERS ARRESTED -- In an anti-drug operation, the Peruvian Investigative Police personnel arrested drug traffickers selling cocaine paste wrapped in chewing gum and candy bar papers in the districts of Brena, Jesus Maria, San Isidro, Magdalena, and other neighborhoods. The traders were identified as Victoria Jimenez Nunez, Laura Flores Loayza, Fernando Morales Cabreara, Jorge Bazan Rodriguez, Juan Moretti Gatulo, Carlos Galarza Bello, Juan Martinez Alvarado, and Jose Rivas Alban. They have been placed at the disposal of the provincial court. [Summary] [Lima EL COMERCIO in Spanish 10 Oct 86 p A-12 PY]

COMMUNIQUE REAFFIRMS SUPPORT FOR FALKLANDS

PY310202 Paris AFP in Spanish 0119 GMT 31 Oct 86

[Text] Montevideo, 30 Oct (AFP) -- The Uruguayan Government tonight warned against the "dangerous tensions" that could result from the British decision to establish a "fishing protection zone" around the Malvinas Islands.

The Uruguayan Foreign Ministry tonight issued a communique reiterating Uruguay's "traditional support for Argentina's claim of sovereignty over the Malvinas Islands and the adjacent territorial waters that belong to it in keeping with international law." This declaration was made public after Uruguayan Government sources announced that the Argentine, Brazilian, and Uruguayan foreign ministers will meet on Sunday, 2 November, in Punta del Este (140 km, east of Montevideo) "to examine the situation."

According to the Uruguayan Government, "only those who have legitimate sovereignty over a given territory can establish areas of maritime jurisdiction." The communique added that "any unilateral action under the present circumstances could only lead to dangerous tensions in the region to which Uruguay cannot remain indifferent." The communique said that these tensions "undermine the atmosphere of mutual trust which is needed to make a dialogue possible between the parties involved, a dialogue that our country has been insistently advocating."

The declaration emphasized the "firm decision" of the Uruguayan Government to "actively seek the strengthening of the South Atlantic's status as a zone of peace and cooperation in keeping with the spirit of a recent UN resolution" co-sponsored by Uruguay. The communique emphasized that "this cooperation should include the preservation of living resources in the area where the increase of certain fishing activities is endangering the species."

IGLESIAS RETURNS, CRITICIZES U.S. OIL TAX

PY300458 Paris AFP in Spanish 0022 GMT 29 Oct 86

[Text] MOntevideo, 29 Oct (AFP) -- Foreign Minister Enrique Iglesias said here today that the U.S. Government's decision to tax oil imports is certainly a departure from the GATT [General Agreement on Tariffs and Trade] principles. Iglesias returned to Montevideo this afternoon after opening the 8th round of multilateral GATT negotiations (Uruguay round of talks) in Geneva on 27 October. At the meeting, Iglesias was designated president of the Commercial Negotiations Committee. Iglesias said that the U.S. decision discriminates against imported oil and that for this reason Canada and Mexico raised the issue during the negotiations.

In Geneva on 27 October, other European, Asian, and Latin American countries supported the Canadian and Mexican claim, on the grounds that the United States has violated the spirit of the Uruguay round of talks even before the talks began. Iglesias said today that a control committee will have to analyze the issue with the parties involved and negotiate the lifting of the measure.

Iglesias reiterated that the Soviet presence at the GATT will be very significant because it will strengthen the organization and give universal character to it. He said the USSR will be informed of all the details of the talks. He added that a new GATT ministerial meeting will be held only if progress is made in the Geneva talks, stressing that he doubts such a meeting will take place before mid-1987.

DEPUTIES REPROVE U.S. GOVERNMENT PETROLEUM TAX

PA310326 Caracas Television Service in Spanish 0001 GMT 31 Oct 86

[Reported by Angel Bustamante; passages in quotation marks recorded]

[Text] [Bustamante] Venezuelan parliamentarians have proposed various resolutions to reject and protest a petroleum tax recently decreed by the U.S. Government. Besides the protests that should be made, Deputy Radames Larrazabel suggested measures such as doing without contracts on petroleum industry technology, not paying the debt, and establishing an ecological tax law on U.S. revenues in Venezuela.

Deputy Celestino Armas said neither the government nor the Congress have been left out of the debate in this regard generated in the United States. He said 40 percent of the petroleum consumed there, that is, 16 million barrels, come from internal sources.

He pointed out the executive's protest against the new tax was correct and timely. On behalf of Democratic Action, he proposed an agreement to protest against such a tax, express disagreement for the unfair treatment of imported petroleum, and urge other petroleum producers to coordinate efforts to face U.S. protectionism.

[Armas] "We believe this policy of imposing taxes on raw materials needed by the United States to grow and ensure comfort does not lead to a stable trade relationship."

[Bustamante] On behalf of COPEI [Social Christian Party], Leonardo Montiel Ortega made some suggestions regarding the tax. He supported the resolution presented by Democratic Action.

[Montiel] "The resolution will be unanimously approved. My proposal to study this new tax affecting Venezuelan petroleum investments in the United Statees will also be debated."

[Bustamante] Radames Larrazabal of the Communist Party of Venezuela pointed out his party supports the resolution to reject and condemn a tax that hurts Venezuela:

[Larrazabal] "It also hurts tne country's sovereignty; it is an insolent economic aggression that should be countered with other kinds of measures I proposed during this debate."

[Bustamante] Parliamentarians Pompeyo Marquez, Jose Antonio Martinez, (Reinaldo Chervini), and Moises Moleiro also commented on the issue during the debate. The resolution presented for the consideration of the chambers by the Democratic Action faction will be voted on and approved next Tuesday.

U.S. DRUG TRAFFICKING LAW DRAWS PROTEST NOTE

FL301452 Mexico City NOTIMEX in Spanish 0340 GMT 30 Oct 86

[Text] Mexico City, 29 Oct, (NOTIMEX) -- The Foreign Secretariat has announced that the Mexican Government today formally protested to the U.S. State Department for using pressure tactics against Mexico based on inexact statements, in the sense that Mexico does not observe its cooperation commitments in the struggle against drug trafficking.

In the document presented by the Mexican ambassador to Washington, the Mexican Government insists that one should not lose sight of the fact that actions aimed at combating the complex drug trafficking problem in Mexico are Mexico's responsibility.

In the protest, Mexico expresses its bewilderment at the inclusion of provisions that affect Mexican interests in the narcotics control law signed by the U.S. Congress on 18 October and signed yesterday by President Ronald Reagan.

The Mexican Embassy, the note says, considers referent provisions evidence of an unfriendly attitude which explicably ignores reality.

The note adds that the Mexican Government has repeatedly and promptly informed U.S. congressmen and officials about diverse actions taken in Mexico, which are included in the referent law as if they had emanated from the country's congress.

Information on the investigation and criminal processes against those responsible for the deaths of DEA agent Enrique Camarena and the pilot Zavala and alleged abuses of authority against Victor Cortes has been made public, the note continues.

The [U.S.] Congress' attitude in the referent law is surprising since it chooses to ignore differences between the U.S. and Mexican judicial systems, each derived from different judicial traditions, which have been explained by Mexican officials to U.S. officials, the communique says.

The note adds that Mexico has repeatedly demonstrated in international forums that it efficiently utilizes all available resources to combat drug trafficking and the violence that this illegal activity generates, not only on the border, but throughout the national territory.

It is a source of concern to note, the document says, that while Mexico has promoted bilateral dialogue with the United States and multilateral dialogue with area countries in the search for solutions to the drug trafficking problem, the referent law contains threats in that it warns U.S. tourists about traveling to Mexico, denies favorable tax treatment to Mexican export products, restricts future appointments of the stabilization fund, and hints possible abstention from voting in favor of Mexican credit requests from multilateral development banks.

COMMERCE SECRETARY CRITICIZES U.S. OIL TAX

PA282059 Mexico City UNOMASUNO 26 Oct 86 p 13

[By Ruben Vasquez P.]

[Text] Commerce and Industrial Development Secretary Hector Hernandez Cervantes has said that the U.S. oil tax on Mexican crude will not stop the country's economic growth, adding that what is important about the tax is "its discriminatory nature."

Hernandez Cervantes, who was upset by reporters' questions, conceded that the tax will decrease foreign earnings from the sale of oil. He said that the Mexican Government is waiting for a reply from the United States to the protest lodged against the tax, which he labeled a unilateral action.

Interviewed at Mexico City's airport, Hernandez Cervantes denied that there was any evidence of breakdown in the GATT concerning the U.S. tax on oil imports.

"The GATT remains inalterable. The enforcement of its regulations has not been affected. One of its functions is precisely to serve as a forum to discuss measures of this kind that obviously contradict the recent agreements made in Punta del Este," the official explained.

He added that the U.S. tax on Mexican oil is "insignificant" to consider it discriminatory freezing as it was established, 11 percent compared to 8 percent for U.S. producers, and that "the principle is what should be questioned." [sentence as published]

Hernandez Cervantes conceded that any tax on Mexican oil exports affects foreign currency income, which is already minimal, he said, due to the depressed international oil market.

The commerce secretary was returning from a visit to Sweden, Denmark, Finland, and the USSR, where he discussed increased trade at the biannual meetings of the joint commissions with those countries.

Disgusted, Hernandez Cervantes got up from his chair, slammed his hand on the table, and walked out, leaving the reporters openmouthed.

PAPER VIEWS 'UNJUST' U.S. MIGRANT WORKERS' LAW

PA280420 Mexico City EL NACIONAL in Spanish 24 Oct 86 p 11

[Editorial: "An Unjust Law"]

[Text] The relations between the Governments of Mexico and the United States are characterized by a climate of dialogue and mutual respect. Evidence of this are the various meetings that President Miguel de la Madrid Hurtado and U.S. President Ronald Reagan have held. The governments of the two nations firmly believe that common problems will be solved only through a conciliation of interests by means of diplomatic negotiation.

However, the U.S. Congress seems to be unfamiliar with the recent history of the relationship between Mexico and the United States. Clear evidence of this would be the recent approval of the Simpson-Rodino Law, which affects the human and labor rights of Mexican undocumented migrant workers in U.S. territory.

Both the law and international practice indicate that migration is an international problem and that, therefore, the solution will be agreed upon among the states involved, never unilaterally. However, the latter is what the U.S. legislators are trying to do.

Therefore, nothing could be more just than the national deputies' demand that the Mexican migrant workers' rights be respected and their condemnation of the U.S. legislators for their action.

The same applies to the positive statements made by Eduardo Pesqueira Olea, head of the Secretariat of Agriculture and Water Resources (SARH), who has stressed the federal government's intention to take maximum advantage of the migrant workers' valuable work.

"There is no reason for us to become frightened," the official said in San Luis Potosi, adding that "in addition to being valuable, Mexican peasant labor is cheap."

According to Pesqueira Olea's statement, the migrant workers will be welcome. What is also true is that the U.S. stance opposed to dialogue and diplomacy concerning an issue that neither can nor should be resolved unilaterally will also become clear.

CANADA INTERESTED IN SKILLED MIGRANT WORKERS

FL300320 Mexico City NOTIMEX in Spanish 0220 GMT 30 Oct 86

[Excerpt] Mexico City, 29 Oct, (NOTIMEX) -- During a working meeting with his Mexican counterpart Eduardo Pesqueira Olea, Canadian Agriculture Minister John Wise has asserted that Canada is interested in skilled Mexican migrant workers.

During the meeting, the Canadian Agriculture Minister said that the GATT membership places Mexico at the level of partners and added: I hope that instructions are given through the foreign secretaries of the two countries which will benefit the development of agriculture in Mexico and Canada. [passage omitted]

DE LA MADRID SUPPORTS ALFONSIN ON FALKLANDS

PA310423 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 31 Oct 86

[Text] Today President Miguel de la Madrid telephoned Argentine President Raul Alfonsin regarding the South Atlantic conflict. De la Madrid reiterated Mexico's solidarity with Argentina and gave instructions to the Foreign Relations Secretariat to study possible strategies that Mexico can implement to support Argentina before international organizations.

IDB APPROVES $600 MILLION LOAN FOR 1987

FL281648 Mexico City NOTIMEX in Spanish 2004 GMT 28 Oct 86

[Excerpts] Mexico City, 27 Oct (NOTIMEX) -- Alejandro Escopelli, IDB director, announced today that the IDB will grant Mexico a $600 million loan for 1987 which will be independent of the renegotiated financial package with the international banks. [passage omitted]

Escopelli also said the new 1987 IDB loans are being granted independent of Mexico's political position since there is no preferential treatment based on [political] decisions. [passage omitted]

CUBAN INDUSTRY OFFICIAL DISCUSSES REGIONAL TRADE

FL280333 Mexico City NOTIMEX in Spanish 0200 GMT 25 Oct 86

[Text] Mexico City, 24 Oct (NOTIMEX) -- Cuban Light Industry Deputy Minister Caridad Abrante Hernandez has underscored the need for Latin American countries to unite for improved trade.

Interviewed at the Mexico City airport, Abrante, who arrived here to close a Cuban trade exposition and strengthen bilateral trade ties, said the lack of regional unity has stalled our country's development.

Arnoldo Rodriguez Campos, commercial attache to the Cuban Embassy in Mexico, reported that the trade balance between the two countries favors Mexico, which exports to Cuba some $85 million and imports only $6 million.

He also indicated that Latin American markets are strained as a result of the world crisis and only with a coordination of efforts will the region be able to achieve progress.

SALVADORAN ALIEN ARRESTS INCREASE SINCE QUAKE

FL300256 Mexico City NOTIMEX in Spanish 2249 GMT 29 Oct 86

[Text] Nogales, Mexico, 29 Oct, (NOTIMEX) -- The number of illegal Salvadoran aliens caught in the northern Mexican state of Sonora trying to enter the United States has increased by 25 percent as a result of the earthquakes that affected San Salvador. This has been reported by Carlos Aaron Kitazawa, local delegate from the Interior Secretariat's Immigration Services Office who said that immigration agents will increase their vigilance on roads and bus terminals.

He said the number of Salvadoran illegal aliens amounted to 10 percent but that percentage increased since 10 October when an earthquake rocked San Salvador.

In the eastern state of Veracruz, 200 illegal Central Americans have been detained in the last 9 months. Each week, some five Salvadorans or Guatemalans are caught and sent to the local Immigration Services Office in Veracruz and deported.

PAPER PRAISES U.S. AMBASSADOR'S STATEMENTS

PA301627 Panama City EXTRA in Spanish 30 Oct 86 p 4

["Mirrors of the Times" column by Jose M. Faundes]

[Text] Whenever a Panamanian or foreigner speaks of the country's situation, the immoralities, corruption, trafficking of weapons, disappearances, decapitations, etc... or of the biggest scandal of all, the May 1984 electoral fraud, those PRD gentlemen, accomplices of all those crimes -- Torrijistas, process supporters [procesalistas], PRD members, Noriega followers [Norieguistas], or whatever they wish to call themselves -- raise their voices in heated defense. What is even worse is that they get mad and call the person who made the statements a meddler, or say that he is interfering in our country's domestic affairs.

As far as those upsetters of the truth are concerned, no one under any circumstances must comment, criticize, condemn, or express an opinion regarding the unheard-of and unthinkable scandals that have crossed our borders and rocked the foundations of other peoples who can no longer tolerate more violations of the law and irresponsibilities.

They should love to see this free newspaper, LA PRENSA, and EL SIGLO disappear while they, the bad sons of our homeland, continue attacking us and enjoying the rights of lord and master they were given on that cursed October in 1968, when the dark days of our sovereign life began.

We knew, and we warned all those who heard our predictions, that during the week of 27 October, U.S. Ambassador Arthur Davis would be the victim of attacks and biting criticism because he dared to be honest during a dinner given by the American Chamber of Commerce on Thursday. At the dinner, and very openly, Ambassador Davis commented and suggested, just as he had done in Paraguay in face of the Stroessner dictatorship, what should be done to guide the country along the path toward democracy and how to end the ruling tyranny.

Today, this distinguished diplomat expressed feelings that have been expressed by our politicians, statesmen, and journalists. The ambassador has reiterated that the Panamanian soldiers should be at their headquarters performing the duties given them by the Constitution and not meddling in matters of which they have no knowledge and which they cannot handle properly; that the nation should be democratized; that the 1989 elections -- which we have rejected because we do not believe in them -- must be honest, fair, and clean; that the winner of the elections must be respected; and that there can be no manipulation or tricks.

Who disagrees with the ambassador's statements? Those who have made a living illegally, those who have stolen? No; those who have violated every human right and who are proud of their ill-gotten wealth. They do not want the country to be ruled by decent men. They, the ones who are incapable of ruling and who have done so inefficiently, wish to continue in power.

We congratulate Ambassador Davis for what he said. His statements do not constitute a meddling in our affairs.

COSTA RICA

ARIAS VOICES 'CONCERN' TO U.S. ON CONTRA AID

PA301458 San Jose Radio Reloj in Spanish 1200 GMT 30 Oct 86

[Text] President Arias has told a U.S. State Department official of his concern about the consequences of aid to the contras. In an unexpected meeting yesterday, President Oscar Arias expressed to the U.S. under secretary for political affairs his concern over the increase in military aid to the contras.

Michael H. Armacost, under secretary for political affairs, and Morton Abramowitz, assistant secretary for intelligence and research, are on a fact-finding tour of Central America. Armacost is the third most important official in the State Department.

Minister of the Presidency Rodrigo Arias said that Armacost was told in the meeting that the $100 million for the counterrevolutionaries will have negative effects in Costa Rica because there will be an increase in the number of refugees and because there might be a decrease in foreign investment and tourists. He said that in the meeting with Armacost, they did not speak about the possibility of having members of the contras train in Costa Rica because the U.S. authorities already know about Costa Rica's refusal to permit this.

GUATEMALA

ARMY SPOKESMAN VIEWS WAR IN REGION AS 'IMMINENT'

PA310001 Hamburg DPA in Spanish 2205 GMT 30 Oct 86

[Text] Guatemala City, 30 Oct (DPA) -- Navy Captain Juan Fernando Cifuentes, public relations director of the Guatemalan Army, today said: "The new shipment of Soviet war materiel to Nicaragua indicates war in the region is imminent." Cifuentes referred to the Soviet arms shipment delivered to Nicaragua recently, which included six MI-24 helicopters, regarded as "armored flying tanks."

According to the military spokesman, the recent Soviet military aid to Nicaragua "is in response to the $100 million that the U.S. Congress approved for the 'contras' who are trying to topple the Sandinist government."

Finally, Cifuentes said the arms delivered to Nicaragua "will not help the guerrillas operating in Guatemala because these weapons are of a different type and for a different purpose." In addition, the Army reported today that it has dismantled several caches of the guerrillas and that a guerrilla was killed during these operations. The caches were located on the slopes of the Tajumulco Volcano in San Marcos, a department in western Guatemala. The Army found arms, ammunition, uniforms, and other supplies.

In Nebaj, Quiche Department, also in western Guatemala, a military patrol clashed with a guerrilla group and killed one of them.

CEREZO WILLING TO VIEW GUERRILLA DIALOGUE OFFER

PA310258 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 31 Oct 86

[Text] The Guatemalan Government headed by Vinicio Cerezo Arevalo could send a delegate to hear the guerrillas' proposals regarding a dialogue.

In a press communique, the president reported he has not received a formal proposal by the guerrillas for a dialogue to strengthen the democratic process. The government delegate's main objective would be to assess the seriousness of the guerrillas' proposal to consider it.

President Cerezo is willing to talk with all national sectors regardless of their ideologies or creeds to consolidate democracy, pluralism, and peace. He reiterated his remarks to the European press and has not changed his stance in case the guerrillas make a formal proposal for a dialogue. Prior to this dialogue, however, the proposal will be considered carefully, because the URNG [Guatemalan National Revolutionary Unity] is an outlawed group.

URNG Proposal Divides Parties

PA310025 Panama City ACAN in Spanish 2032 GMT 30 Oct 86

[Text] Guatemala City, 30 Oct (ACAN-EFE) -- The dialogue proposal from the Guatemalan guerrillas to President Vinicio Cerezo's government has divided the main parties, some of which consider the proposal to be beneficial while others say it is a "hoax."

The guerrillas' dialogue proposal was issued through an open letter to President Cerezo, but sources from the presidency of the Republic denied the letter has been delivered to the president, even though they did not deny its existence.

The URNG's document asks the government for a meeting at the highest level between the guerrilla organization and the government to establish the date, agenda, and place for the dialogue.

Several Guatemalan deputies were interviewed to learn their views about the dialogue proposal, which would be guaranteed by Spain, the FRG, France, Belgium, and Italy, according to the URNG.

Deputy Hector Vasquez, of the Socialist Democratic Party (PSD), said: "Given the country's current situation and the fact we have begun a democratization process, I believe the dialogue with the guerrillas would be beneficial." The PSD legislator added: "People understand each other better through a dialogue, and Guatemala would benefit from one if it is ever held because the differences between one group and the other would then be understood." Vasquez believes "Guatemalans cannot possibly continue to fight; it is time to take into consideration the thousands of dead that the armed conflict has left in the country ."

Deputy Oscar Rivas, secretary general of the extreme right Democratic Institutional Party (PID), said: "The dialogue between Cerezo's government and the guerrillas would never take place because there are differences as in El Salvador." "We Guatemalans should not deceive ourselves because the guerrillas' goal in Guatemala, as in other countries of the world, particularly in central America, is to take over power by force." The anti-communist parliamentary member thinks "the dialogue with the guerrillas would prove dangerous for Guatemalans because the former are mercenaries with foreign policies who are trying to implement a system which is alien to our life-style."

Deputy Arturo Ortiz, of the Union of the National Center (UCN) Party, the second political force in the country, said: "If they (the guerrillas) propose a dialogue, President Cerezo should listen to them."

"I think the civilized way to resolve our problems is through a dialogue; furthermore, the Christian Democratic Party has based its propaganda on national reconciliation," Ortiz asserted.

Christian Democratic legislator Jorge Archila, who said the guerrilla members were "patriots," stated: "The truth is that we could never oppose the dialogue proposal."

Ortiz said it is necessary to attain a consensus "which helps to stabilize the country's democracy, because we all want peace."

HONDURAS

AZCONA STRESSES DEMOCRATIZATION IN NICARAGUA

PA310306 Tegucigalpa EL HERALDO in Spanish 30 Oct 86 p 5

[Excerpts] As was the case at the last workers' congress, President Jose Azcona Hoyo had to deliver an impromptu speech last night to the delegates of the General Central Organization of Workers, CGT, who were holding their ninth congress in the halls of the Manuel Bonilla Theater in Tegucigalpa. The reason was obvious: the labor leaders were presenting demands to him and he had to give an immediate response to their concerns.

He said that after hearing the speeches delivered by the peasant and labor leaders, he was reiterating he will never hide and will remain willing to discuss any issue brought to him. [passage omitted]

"Concerning the area of foreign policy," he said,, "I regret to say there is a discrepancy because 90 percent of Hondurans support the government's efforts. Besides, we are not to blame for the fact that Nicaragua has been subjected to a dictatorship for 45 years and is now under another one, perhaps even crueler."

"We are not going to pay for that situation. That is why, as Hondurans and as president of a democratic country, we have the right to ask that Nicaragua be democratized, so the effects of the pressures in that country won't extend to us. We do not want bloodshed in any country, but we have the right to live in peace, to work, and not to have any government subvert our order," the president maintained.

Finally, Azcona Hoyo reiterated it would not be advisable to change his cabinet at this point, explaining that "the president is making his ministers work."

Lopez on Contras, Plane Deal

PA301233 Tegucigalpa LA TRIBUNA in Spanish 29 Oct 86 p 9

[Text] In view of persistent reports that Honduras has agreed to let anti-Sandinist "contras" train in the El Cisne and El Tigre Islands, Honduran Foreign Minister Carlos Lopez Contreras categorically denied "those rumors because they are totally false."

Quite the contrary, he stated, the Honduran Government's official stance regarding the conflict, which is now beginning and may intensify between the forces opposing the revolution and the Nicaraguan Government, is that it will do its best to stay on the sidelines.

The foreign minister explained that the El Cisne Islands are under Honduras' control, jurisdiction, and sovereignty; but that Meanguera Island is a disputed territory, and El Salvador and Honduras are bound to maintain the status quo existing before 1969.

When it was pointed out to him Honduran territory in the border area with Nicaragua is being used -- as the region's coffee growers have charged -- Lopez Contreras said the possibility could not be ruled out but that it is not part of the official stance of the Government.

Airplane Fleet [subhead]

Concerning Honduras' purchase of a small fleet of airplanes from Isreal, the official noted that for many years the government has been studying the steps it should take to keep its air strength up to date.

In this respect, he added, this is not something new but rather something that has been under study for many years. He also said that eventually the purchase will be made; "however, I do know that this is part of the Honduran Armed Forces program to have a minimum ability to defend the country, especially in view of the military development of neighboring countries."

He then explained the purpose of President Jose Azcona Hoyo's visit to Israel is not related to this matter. Instead, the visit is seeking greater rapprochement with that country within the framework of overall cooperation and cooperation for development and in technical matters.

Orbin Opposes Contra Motion

PA301633 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 30 Oct 86

[Text] The motion introduced by Deputy Nicolas Cruz Torres has caused great commotion. Opposing views condemn and support National Party Deputy Cruz Torres for requesting the explusion of the Nicaraguan contras from Honduras. The opposing views show the controversial nature of this issue.

Carlos Orbin Montoya, president of the National Congress, said Cruz Torres' request for the expulsion of the contras just helps the Marxist-Leninist government of Nicaragua:

[Begin recording] I think these motions just seek to create a commotion. Rather than being carefully thought out and studied, these motions help justify the Sandinist government's constant aggressions against the country and its attitude of appearing as a martyr before the rest of the world. There has been a negative reaction from all deputies. We believe it is difficult coexisting with a Marxist regime, having such a large common border with it, and being victims of this situation. There are more than 100,000 Nicaraguan refugees in Honduras. Nevertheless, we do everythings possible to guarantee the Hondurans their democratic system and guarantee sovereignty over all our territory. [end recording]

NICARAGUA

'DOCUMENTARY EVIDENCE' DESCRIBES HASENFUS LINKS

PA302008 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 30 Oct 86

[Text] The Attorney General's Office today introduced evidence against U.S. military adviser Eugene Hasenfus, who has confessed to having links with the U.S. Central Intelligence Agency.

Ivan Villavicencio, representative of the Nicaraguan Ministry of Justice, submitted to the court as documentary evidence more than 100 papers found in the aircraft that was downed in Tule. The papers establish links between the two U.S. nationals found dead on board and the CIA. The Attorney General's Office will be able to make use of any other type of evidence it deems pertinent, respecting the time limitations established by law.

Code names for aircraft, crews, and the U.S., Salvadoran, Costa Rican, and Honduran Governments were introduced.

[Begin Villavicencio recording] We also [words indistinct] codes to identify names of places, people, and airports. For example: The U.S. Government goes by the code word "playboy." [preceding word in English] Washington, D.C. [preceding initials in English] is designated "top floor" [preceding words in English]; Ilopango is "island" [preceding words in English]; the Salvadoran Government is "new look." There are codes for military supplies. For example, rifles are "apples" [preceding word in English], and explosives are "pears." [end recording]

There are also press reports that show the involvement of the U.S. Government in the aggression.

[Begin Villavicencio recording] News dispatches received in Nicaragua from various news agencies, including ACAN-EFE, UNITED PRESS [INTERNATIONAL] and AFP, report on the contacts between U.S. Vice President Bush and Max Gomez, who was one of Hasenfus' bosses. Those cables also note Reagan's support for the counterrevolution. There are also remarks by Elliott Abrams, assistant secretary of state for inter-American affairs, who described the crew of the downed plane in which Hasenfus was traveling, as heroes. [end recording]

The Attorney General's Office has requested that Lieutenant Colonel Robert Calderon be called in as witness, as well as the soldiers who captured Hasenfus. It also requested an on-site, notarized inspection of the weapons and the wreckage of the aircraft.

EDITORIAL BERATES REAGAN COMMITTEE ON 'OPEN WAR'

PA301316 Managua BARRICADA in Spanish 29 Oct 86 p 3

[Editorial: "Reagan Makes the War on Nicaragua Official"]

[Text] Ronald Reagan is destined to become the most cynical president in U.S. history. He has earned this reputation from his policy in Central America, particularly in Nicaragua. Now, after stating the United States is not responsible for the war against Nicaragua, the U.S. press itself has taken the lid off the pot and has explicitly shown how a committee that will lead the open war against our people has been organized.

This committee, which is headed by Elliot Abrams, includes the CIA, the U.S. Security Council, the Pentagon, the White House, and the State Department. What is its objective? None other than to take the war in its own hands because the mercenaries are uncapable of waging it by themselves.

The Pentagon will conduct the war through U.S. advisers, the green berets. They will not only train the mercenaries in U.S. territory, according to THE WASHINGTON POST, but they will also be responsible for preparing the tactical plans of the armed mercenaries with surface-to-air missiles and modern artillery in a useless effort to revert the strategic defeats inflicted by the Nicaraguan people's weapons.

The political side of the war will be directed by the White House and the State Department, which will use all their power and influence to remove the mercenaries from their deep isolation. Because the news media is a powerful element of the war, Washington is determined to install a powerful radio station in the Swan Islands, the same kind they used during the invasion in the Bay of Pigs, Cuba to direct the attacks of the Cuban worms against the revolution of our sister island. To be more effective, the contras' radio station will be supervised by the director of "Radio Marti," the CIA radio station beamed to Cuba.

This is an open plan, without secrets, and U.S. publications insist that this is the first time Reagan's government does not beat around the bush. The U.S. Government is acting illegallly by starting a war -- which is undeclared, according to interntional norms, but which is made official when President Reagan signs documents, appoints representatives, and even decides to supply our enemies.

Actually, the only thing missing is a formal declaration of war, which could take place if the U.S. allies in Central America break relations with Nicaragua, obeying orders from Washington. This would prepare the groundwork for a greater involvement of the yankee puppets in the war against our country.

However, while this is going on in Tegucigalpa and Washington, capitals of the same policy, we will finish preparing the reserve battalions, which along with the regular army will become the barrier where the ambitions of humanity's enemies will be smashed.

MINISTER RUIZ WANTS 'SETTLEMENT' WITH U.S.

LD300322 Budapest Domestic Service in Hungarian 2120 GMT 29 Oct 86

[Interview with Commander Henry Ruiz, Nicaraguan minister of foreign cooperation, by reporter Agnes Koruncz on the "Ten Minutes of Foreign Policy" program; Ruiz answers in Spanish with superimposed translation; date and place not given -- live or recorded]

[Text] [Koruncz] A few days ago, Commander Henry Ruiz, Nicaraguan minister of foreign cooperation, visited Budapest, participating in the founding session of the Hungarian-Nicaraguan Economic cooperation committee and in the third session of the CEMA-Nicaragua committee. The commander is a member of the leadership of the Sandinist National Liberation Front. The front will celebrate the 25th Anniversary of its establishment within the next few days. My first question relates to the anniversary as well. Carlos Fonseca, founder of the Sandinist front, in the years of the struggle against the Somoza dictatorship defined the role of the front as having to be simultaneously a vanguard as well as a national movement. In what way does this role prevail today?

[Ruiz] This is a scientific and revolutionary definition. The front has always considered itself to be a vanguard; it was forced to do so by the armed struggle. The front has never been purely worker, peasant, or small bourgeois in character; it has always attracted the best of society. During the struggle, our organization has acquired greater and greater political and ideological hegemony. The sandinist front is the same today, as well. On occasion, in the course of becoming a party, there is a need for an identity of views, for ideological unity We cannot be a pluralistic party; we cannot question the aims, direction of our historic program, but as a party in office we have close relations with the people. This then means we recognize the economic interest of the various social strata as well as their views formed about history. The element that must unite everyone in Nicaragua today is as follows: the national, popular, anti-imperialist, and national independent character of the revolution. From this point of view, the front is a vanguard. We intend to represent a people's democracy while maintaining Sandinist hegemony. Were we not to do this, we would become an elitist party.

[Koruncz] The Sandinist Front has always paid particular attention to relations with other political forces and cooperation with them. Under the present difficult circumstances, how does this policy prevail?

[Ruiz] The struggle is becoming a radicalized and polarized. The defense of the nation is at risk. An opinion different from ours does not bother us; what worries us is if a Nicaraguan agrees with the aggression directed against the country. this is a fundamental issue. Our constitution currently being prepared also lays down the various economic, political, and ideological interests, as well as the mixed economy, pluralism, respect for the faithful and the agnostic and the political principles of sovereignty, national independence, and nonalignment. During the preparation and debate of the constitution, seven political parties represented in the Nicaraguan National Assembly take part.

[[Koruncz] After the overthrow of the Somoza dictatorship, the Sandinist government announced several economic programs. What has materialized from these plans?

[Ruiz] The aim of our first plan was to put the economy on its feet; the second objective was entitled thriftiness and efficiency. We worked with annual plans. Until the end of 1983, things went well. After the end of 1983, the number of mercenary attacks against economic plants and schools multiplied and we have increased our military efforts five fold. We spend our resources on organizing the army; this would have happened in any case, but not at such a strained rate. It is, therefore, understandable that since 1983, our national gross production has been continuously declining.

[Koruncz] Amid these difficulties, can there be no fatigue, dissappointment observed among the people?

[Ruiz] The people looked forward to the revolution with great expectation, but reality has turned out differently. I think in this case, we are the ones who are responsible; we had spoken about a land of milk and honey, which was to have been built in a short time, and we ignored the fact that conditions were not yet right. We have had to admit in a self-critical way the matter is not as simple as that, because it dissatisfaction can be observed among the masses, then the cause can be traced to the irresponsibility of the government organs, the nonutilization of means, squandering, and bureaucracy.

We must also speak about military service. The head of a family in Nicaragua maintains, on average, the benefit of four people, losing him presents the family with a great gap. Despite this, there is an oversubscription for military service.

[Koruncz] Are concrete economic plans in operation for the alleviation of the situation?

[Ruiz] Investments are taking place; we are building ports, for example, on the Atlantic shore; the thermal power station at Mamotombo is being built. As a result of the meager resources and the distorting effect of the war, our economic plans are limited. We are fully aware our economy cannot become stable as long as aggression continues against Nicaragua. I will give you a few examples. The sum of war damage is reaching $1.3 billion, and presently we will spend 50 percent of the budget on military objectives. The latter consumes 40 percent of industrial production and 20 percent of the active population participates in military activity.

The direction of the U.S. strategy is clear: the exhaustion of the Nicaraguan economy. The illusion of a short-term war has gone. We calculate that with the weakening of the economy, the social basis of the Sandinist Front also will become shaky and as a result of the social dissatisfaction, a different tune can be played.

[Koruncz] The trial of the pilot of the shot-down U.S. plane is taking place currently in Nicaragua. It was shot down in Nicaraguan airspace. The role of the United States in supporting the Nicaraguan counterrevolutionaries is becoming more and more clear. Is this event a new phase in the war against Nicaragua?

[Ruiz] This new phase has been going on for a good deal of time, let us say, since the mining of our ports. They have threatened us with the employment of other means, as well; it has not taken place but it is a fact the U.S. President, the Congress, and the Senate have declared war on Nicaragua under the aegis of the limited conflict doctrine. The approval of the $100 million in aid to the contras means aggression has been adopted as law.

[Koruncz] What kind of solution do you see regarding this situation?

[Ruiz] We are seeking a negotiated settlement. We have expounded this in the United Nations as well as in The Hague International Court. However, we do not allow any infringement of our independence just because President Reagan does not like a country with a democratic system like Nicaragua's. We support the peaceful coexistence of countries with different social systems. We are ready to cooperate with our neighbors in Latin America and the United States. Those slanders, according to which Nicaragua is endangering the security of the United States, are ludicrous; Washington does everything to justify a possible aggression to world public opinion. These forces, however, must take one thing into account: that we beat back the attack. These are not empty words; we do not want to aggravate the conflict persisting vis-a-vis the United States; we do not want to cause pain either to Nicaragua or to the other Central American countries and therefore, we would like a negotiated settlement between the United States and Nicaragua.

Reports on Visit to Hungary

PA300151 Managua BARRICADA in Spanish 29 Oct 86 p 2

[Text] Henry Ruiz, commander of the revolution and minister for foreign cooperation, reported upon returning to the country: "The objectives of our mission to Hungary were: install the Hungarian-Nicaraguan intergovernmental mixed commission, sign several protocols, and analyze the obstacles in the way of better relations between CEMA and our country."

Regarding the topics discussed at the intergovernmental commission, Ruiz said a protocol was signed for the disbursement of a credit in the coming months, the creation of a trade fund, technical assistance from Hungary, and material aid for the FSLN.

The minister said his Hungarian counterpart expressed concern over Nicaragua's political situation and reiterated the Hungarian people, government, and party's solidarity with and support for the Sandinist people's revolution.

He added the Nicaraguan delegation also met with the president of the Council of Ministers, who reported on the result of the congress of the Hungarian Socialist Workers' Party.

Ruiz pointed out: "In the meeting of the CEMA-Nicaragua mixed commission, we considered solutions for the Nicaraguan economic problems, revision of investments in our country, various CEMA financial projects, and setting up a soft fund to generate the money that will serve as collateral for the Cebaco agricultural and livestock project, as well as for the Aguan deep-water project."

Other points considered by the CEMA-Nicaraguan mixed commission were: the implementation of mechanisms to settle the problem of transport of Nicaraguan exports and imports; technical assistance from the GDR, which will send 20 specialists soon; this country's financing of a preliminary study to improve transportation; creation of mass study centers financed by CEMA member countries for SMP [Military Patriotic Service] demobilized young men; and the arrival in Nicaragua of a Czechoslovakian technical delegation to conclude details of that country's participation in a textile project to be set up in Esteli.

Commander Ruiz reported the 4th CEMA meeting will be held in Managua in October 1987. He said: "CEMA views us as adults, able to resolve our problems. The CEMA-Nicaragua mixed commission is a prototype for other countries such as Madagascar."

The Nicaraguan delegation which traveled to Hungary was headed by Commander Ruiz and included Jose Buitrago, deputy minister for foreign cooperation; Maria Aguero, CEMA general director in Nicaragua; John Jovane, assistant to the minister; Daniel Fajardo, deputy minister for industry; Jacinto Guzman, deputy minister for the CNES [National Council of Higher Education]; Roberto Borge, foreign cooperation official and Manuel Coronel Kautz, deputy minister of Midinra [Ministry of Agricultural-Livestock Development and Agrarian Reform].

The delegation was received at the airport by Hungarian Ambassador Istvan Soos and Cesar Arostegui, deputy minister for foreign cooperation.

MINISTER PROTESTS HONDURAN BORDER ATTACKS

PA302016 Managua BARRICADA in Spanish 29 Oct 86 p 5

[Protest note sent by Nicaraguan Acting Foreign Minister Victor Hugo Tinoco to the Honduran Foreign Minister on 28 October]

[Text] Managua, 28 October 1986

Mr Minister:

I address Your Excellency to inform you of the following:

At approximately 2000 on 22 October 1986, Honduran Army troops attacked Nicaraguan positions near the Teotecacinte sector, firing 14 times with LAW rockets and 50 caliber machineguns.

Between 1919 and 1942 on 23 October, Honduran Army troops attacked the Las Manos border checkpoint with rifle fire, machineguns, RPG-2 rocket launchers, and M-79 grenade launchers; which fortunately did not cause any casualties.

Once more, the Nicaraguan Government finds itself having to protest energetically and formally to the Honduran Government over these two new incidents of provocation that work to the detriment of our country and violate obligations of the Republic of Honduras.

The constant repetition of these armed attacks against Nicaraguan territory by the Honduran Army is one of the factors that worsen the situation between the two countries and the Central American region. For this reason, the Nicaraguan Government today reiterates its request that Honduran authorities cease and abstain from these actions that violate international law, which only serve to increase tension and run a greater risk of generalizing the area's conflict.

I reiterate my highest esteem.

Victor Hugo Tinoco

Acting Foreign Minister.

U.S. DRUG LAW SEEN AS BORDER 'MILITARIZATION'

PA301638 Havana International Service in Spanish 2300 GMT 29 Oct 86

[Report by correspondent Francisco Ramirez from Mexico City]

[Text] The new U.S. antinarcotics law approved by President Ronald Reagan will bring about an accelerated militarization of the border with Mexico and make more acute the already serious bilateral problems, observers in the Mexican capital have predicted.

The antidrug legislation issued by the U.S. Government will transform the 3,000-km border with Mexico into a vast center of strict air and electronic surveillance with the pretext of stopping drug traffic across the border.

With a budget of $1.7 billion for that purpose, the U.S. Government will send to the Mexican border modern radar equipment, special aircraft to pursue and capture planes suspected of transporting narcotics, helicopters, and a beefed-up group of antidrug agents. The Reagan administration claims that large volumes of marijuana, heroin, and cocaine enter the United States from Mexico. Therefore, an important part of the efforts in the new law will be geared toward stopping that illegal traffic.

The new law has been described by skeptics as a mere offshoot of the antidrug frenzy that characterizes this election year. However, its passage reflects a concern over the growing use of drugs in U.S. society.

The hostility toward Mexico is clearly manifested in a document entitled: The Sentiment of the Congress, included in the new antinarcotics law. In this document, senators state that Mexico has fallen short of its responsibilities in the struggle against drug traffic, and propose economic sanctions against that country. However, the Mexican authorities believe differently. They have said that the United States is the principal market for drugs -- not only from Mexico, but from other nations -- and that this kind of activity cannot be eradicated simply through policing measures that are generally unilateral and affect Mexican interests.

HAVANA RADIO VIEWS UN SOUTH ATLANTIC RESOLUTION

PA301255 Havana International Service in Spanish 2300 GMT 24 Oct 86

["Our America" commentary read by Manolo Ortega]

[Text] With an overwhelming majority -- 124 votes in favor and 1 against -- the UN General Assembly has approved an important resolution, which, if scrupulously respected, will substantially contribute to the maintenance of peace in the South Atlantic Ocean. In declaring the waterway between Africa and South America a peace zone, the leading international organization was very clearly stating mankind's desire to check the arms race and gradually eliminate the areas of tension in the world.

For the United States, which cast the sole vote against the resolution, the document represents an obstacle to its plans to extend its naval presence, which even involves nuclear weapons, to all latitudes. The hypothetical aim would be to achieve military supremacy over the Soviet Union.

During the dictatorships in Argentina and Brazil, Washington encouraged those regimes to form an alliance with Augusto Pinochet's tyranny in Chile and the apartheid system in South Africa to create a spearhead for its hegemonic interests in the South Atlantic area. There was talk at that time about the imminent foundation of the South Atlantic Treaty Organization, SATO. The return to democracy in Argentina and Brazil, the international isolation of South Africa and Chile, and the teachings derived from the Malvinas war were reasons of vital importance for pushing SATO aside, despite White House efforts to revive it.

The document approved at the United Nations is of singular importance because it was inspired by Brazil and subsequently endorsed by Uruguay, Argentina, and several African countries -- evidence of peaceful aspirations of the states with coasts in the South Atlantic Ocean. The UN resolution also calls for greater regional cooperation, especially concerning economic and social development and (?security); and urges the governments of militarily important countries to respect the area in question as a peace zone.

This is an obstacle to U.S. hegemonic aspirations and those of its associate, Greek Britain, which is again occupying the territory of Malvinas after a rapacious war against Argentina during which only force tilted the scales in favor of London.

Other undoubtedly relevant points in the motion are the appeals for eliminating tension in the South Atlantic region and for respect of political independence, as well as the reassertion that it is essential to eliminate racial segregation in South Africa and achieve self-determination in Namibia, now illegally occupied by Pieter Botha's regime.

Documents like the one approved at the United Nations are needed so that mankind can have faith in the future. Now it only remains for it to be scrupulously fulfilled.

FMLN-FDR ON QUAKE AID, 'GENOCIDE' ALERT

PA300449 Havana International Service in Spanish 2300 GMT 29 Oct 86

[Text] The procedures adopted by the Salvadoran regime after the earthquake which hit El Salvador have undoubtedly worsened the deteriorated economic, political, and social situation being withstood by that Central American nation. Given the imminence of increased repression, the FMLN-FDR issued a declaration, which will be read by Carlos Leon. He is member of the fronts' representation in Cuba:

[Begin Leon recording] Our fronts are issuing an alert to the international community because the Salvadoran Government is preparing a new genocide against our people, using the emergency laws relating to the earthquake as an excuse. It has already begun selective repression against popular organizations' leaders; established military controls over the areas where the victims are located; and, given the fear of a social uprisal in the short or middle term, is already preparing large-scale measures for our people's repression.

Therefore, we are alerting the international community to exert pressure on the Salvadoran Government and the Reagan administration, and thus prevent a massacre in our country. We also urge the international community to send moral and material aid to our people -- preferably through non-government channels, specifically through the church or related organizations -- because the aid being sent through the government has been turned over to the military and private sectors to increase their fortunes. The aid is never received by those who really need it -- our long-suffering people. [end recording]

RISQUET MEETS WITH ANC'S TAMBO, PLO'S 'ARAFAT

FL301755 Havana Radio Reloj Network in Spanish 1515 GMT 30 Oct 86

[Text] Marcelino dos Santos, (Joaquin Chisano), and Armando (Llegusa), members of the Frelimo [Mozambique Liberation Front] Party Politburo, have met in Maputo with Jorge Risquet, member of the Communist Party of Cuba Politburo and Secretariat.

During the meeting, Risquet expressed Cuba's solidarity and support for Mozambique, which has just lost its president, Samora Machel, in a strange aviation disaster in South African territory.

Prior to this, Risquet met with Oliver Tambo, president of the African National Congress, on the growing struggle of the South African people against apartheid and U.S. support of the racist regime in Pretoria.

Risquet also met in Maputo with PLO President Yasir 'Arafat, with whom he discussed the Middle East situation.

FRG BUNDESTAG VISIT BENEFITS LEGISLATIVE BODIES

PA301305 Havana International Service in Spanish 0001 GMT 30 Oct 86

[Report by Barbara Betancourt]

[Text] In response to an invitation by the National Assembly of the People's Government of Cuba [ANPP], a high-ranking FRG parliamentary delegation, headed by its vice president, Heinz Westphal, is visiting our country. The FRG delegation is also made up of five deputies of the Christian Democratic Union, Social Democratic Party, Liberal Democratic Party, and Green Party, as well as officials of the Bundestag or parliament of that European nation.

Shortly after arriving in Havana, Heinz Westphal expressed satisfaction for the visit, which, according to him, will be very beneficial for the legislative organizations of Cuba and the FRG. When questioned by reporters who covered his arrival, Heinz Westphal, who arrived in Cuba from Panama with his retinue, expressed his conviction that the Contadora Group continues to be the only possible path to achieve a peaceful solution to the Central American conflict.

The FRG guests, during their visit to end 1 November, will participate in a busy schedule of activities, including meetings with members of the Cuban parliament and the Communist Party, and with Foreign Minister Isidoro Malmierca in Havana. They will also visit the historical sector of the city; the Genetic Engineering and Technology Center, inaugurated only a few months ago on the outskirts of Havana; and other centers of scientific and social interest in the Cuban capital.

The delegation has already met with ANPP President Flavio Bravo, with whom they discussed the duties and activities of the top Cuban legislative organization and the recent electoral process to elect the delegates to the organizations that comprise the ANPP. The visitors showed interest in learning about all the experiences of the Cuban [word indistinct]. They had previously placed a wreath on the monument of Jose Marti, Cuba's national hero, at Havana's Revolution Plaza.

CABRISAS ENDS 'PROMISING' URUGUAYAN VISIT

FL301555 Havana Radio Progreso Network in Spanish 1200 GMT 30 Oct 86

[Text] Cuban Foreign Trade Minister Ricardo Cabrisas has concluded an official 2-day visit to Uruguay during which he met with officials and enterprise leaders from that South American country. Sources close to the delegation said the meetings were considered positive and promising.

BOLIVIAN OFFICIALS APPROVE HAVANA AGREEMENTS

PA301955 Havana International Service in Spanish 1800 GMT 30 Oct 86

[Text] The representatives of almost all the Bolivian political forces have expressed their pleasure in parliament because Bolivia and Cuba have signed cooperation agreements. This was expressed in a statement signed by Bolivian deputies of the various political tendencies. The Cuban-Bolivian cooperation and consular affairs agreements were signed in Havana by Bolivian Foreign Minister Guillermo Bedregal during his recent visit to Cuba.

'BOURGEOIS,' SOCIALIST FREEDOM OF PRESS COMPARED

PA301310 Havana International Service in Spanish 0001 GMT 30 Oct 86

["Note" feature by Nestor Nunez; read by Angel Ferrer]

[Text] It is difficult to find in our times a concept more manipulated by Western interests than the concept of freedom of the press. As a matter of fact, the twisting of the concept does not originate in socialist societies such as Cuba. The defenders of capitalism flaunt freedom of the press as a banner, a vital principle, intrinsic only to imperialism. Up closer, objective examination shows that there is no such thing as freedom of the press in capitalist countries. For example: What major newspaper, radio, or television station in a capitalist country truly echoes the people's concerns? When they must take sides, deep down they answer exclusively to the interests of their owners, who are in turn representatives of conglomerates and corporations. They will never support a just position advocating jobs for workers, land for peasants, or schools, doctors, and housing for the dispossessed. Their main concern, amid distortions of the news, is to publicize ads that promote uncontrolled consumerism in man and a mentality of devouring one's brother.

Such a barrage of advertisements is not published in Cuban newspapers. They are prepared not based on the interests and needs of the people, who, in turn, can use them as a mouthpiece to demand the end of shortcomings, bad habits, and other mistakes that affect the economy and services. In addition, the Cuban press is a voice of the world's just causes -- precisely of those causes against which capitalist media work. These are the conceptual differences between bourgeois freedom of the press and freedom of the press in socialism. Naturally, for the dispossesed and for men with progressive political interests, it is not difficult to decide which of the two is absolutely legitimate.

BALAGUER CHANGES STANCE TOWARD SOCIAL CHIRISTIANS

F1292136 Bridgetown CANA in English 1625 GMT 29 Oct 86

[Text] Santo Dominigo, Oct 29, CANA-ALASEI [Latin American Special Information Service] -- The presence of international Christian Democrats, a conciliatory inauguration speech, and selection of a cabinet in which the tradtional figures of the governing party do not predominate, are strong points of interest at the start of Joaquin Balaguer's fourth presidential term.

In the last eight years, under two governments formed by the Dominician Revolutionary Party (PRD), the Dominican Republic has been transformed into an important base of action for social democracy. This played an important political role in the crisis that followed the 1978 elections, when Balaguer lost power to the PRD.

Although the two PRD governments did not show a clear democratic ideology, PRD leader Jose Francisco Pena Gomez used his influence to ensure that Socialist International establish itself on the Dominican scene. Socialist International's Committee for Latin America held two of its most important meetings during this period, and in various ways, people were made aware of the solidarity of the governing party with like-minded parties in the region and further afield.

Now, from a base of action for Socialist International, the country becomes the centre of interest for its rival Christian Democratic International (IDC), several outstanding members of which flew in for the inauguration of the government. Traditionally, Balaguer, 79, has adopted a conservative position with respect to international affairs, and in his previous governments, he supported a rather low profile of his administration in international affairs. His party was originally called the Reformist Party, and unlike the PRD -- the main opposition then and now -- he did not cultivate international relations.

The strong effect of the foreign policy of Pena Gomez and the PRD, and the ever-growing influence of external factors in domestic politics made Balaguer change his political stance.

In his eight years in opposition, he made overtures to the international Christian Democrats, and reaped benefits from those ties just as the PRD had done and continued doing with the Social Democrats.

So, the ties of collaboration cultivated during its years in government with the most conservative elements of the Social Christian Revolutionary Party (PRSC), permitted the Reformist Party to absorb the miniscle element and produce a fusion which allowed it to add the label Social Christian to its name.

The international privileges of IDC became available to Balaguer, and the party began receiving funds, technical assistance, and the international cover of the Christian Democrats, mainly from Venezuela and the Federal Republic of Germany, through the Adenauer Foundation.

The Social Christian experts sent to the country played an important role in planning the campaign that culminated in victory at the polls. The Italian representative, Flaminio Piccoli, president of the IDC, and Secretary General Luis Herrera Campins, former president of Venezuela, were two key figures in the international gathering at the change of government.

In addition, there was Gilberto Bonalumi, vice president of the Italian parliament and director of Latin American affairs for Social Democrats in that country; Eric Ramirez, president of the Nicaraguan Social Christian Party; the wife of the Guatemalan president, Raquel Blandon de Cerezo; Jose Napoleon Duarte, president of El Salvador, and others, who occupied the seats which were previously taken by the important personalities of Socialist International.

According to ALASEI, the significance of external factors and their effect on the local situation become very apparent when one considers the miles travelled by Vice President Carlos Morales Troncoso in order to mobilise support in this matter, a role Balaguer cannot fill, on account of his physical health, and perhaps because of his tradition of international absenteeism.

In the weeks leading up to the swearing-in, Morales was in Venezuela, Puerto Rico, and the United States. Another indicator, said ALASEI, is Balaguer's decision to entrust important positions in his cabinet to outstanding people in the local Social Christian camp, beginning with the technical secretariat, where he put engineer Guillermo Caram in charge; the legal bureau of executive power, assigned to Mario Read Vituini, and the position of comptroller of customs (source of 60 per cent of the treasury's revenue), given to Quico Tabar, a Social Christian.

Discusses Debt Renegotiation

F1291255 Santo Domingo Cadena Brea Pena in Spanish 1130 GMT 29 Oct 86

[Text] President Joaquin Balaguer said yesterday that the Government is not currently contemplating new IMF agreements or adopting new economic adjustment measures.

Balaguer said the mission that recently traveled to Washington, headed by Central Bank Governor Luis Julian Perez, was only making a courtesy visit to IMF authorities. President Balaguer said there has been no significant contact up to the moment on changing the public debt or making new adjustments.

The mission told IMF officials that the Government is proposing to renegotiate its debt with foreign trade banks, said Balaguer. The president of the republic said a renegotiation of the debt would save the country $200 million in interest payments and amortization of capital during the remainder of the year.

ANTIGUA - BARBUDA

COMMUNIQUE CONCLUDES TALKS WITH TRINIDAD - TOBAGO

F1300044 Bridgetown CANA in English 2340 GMT 29 Oct 86

[Text] Port of Spain, Trinidad, Oct 29, CANA -- Following is a communique issued after today's talks here between officials from Antigua and Barbuda and Trinidad and Tobago:

Delegations representing Antigua and Barbuda and Trinidad and Tobago met on October 29, 1986, at Riverside Plaza, Port of Spain, to discuss matters of bilateral concern to the two countries. The Antigua and Barbuda delegation was led by Mr James Thomas, high commissioner-designate to Canada, while the Trinidad and Tobago delegation was led by Mr Reginald Dumas, high commissioner to Barbados an the eastern Caribbean. The two delegations had a full, frank and fruitful discussion on several issues, among them civil aviation and trade.

They undertook to report to their respective governments and expressed the hope that all outstanding matters would soon be resolved. Among other things, the Trinidad and Tobago delegation adverted to the possibility of technical assistance in tourism development from Antigua and Barbuda to Trindad and Tobago. It is expected that a further round of discussions will be held in the near future.

ST LUCIA

LABOR PARTY ENDS CONFERENCE ON PLATFORM

F1281832 Bridgetown CANA in English 1742 GMT 28 Oct 86

[Text] Castries, St Lucia, Oct 28, CANA -- The opposition St Lucia Labour Party (SLP) has wrapped up a special conference, saying the way was now clear for it to openly campaign for the next general election. The conference, called to ratify the party's social and economic programme, ended Sunday. In his closing address, party leader Julian Hunte said the SLP had done most of its internal work in preparing itself for the next elections and could now move into the open campaign for the poll. The first part of the conference, held last month, ratified SLP policy papers.

Last Sunday's session discussed and approved policy papers on health, housing, industry, and the Caribbean Basin Initiative (CBI) in industrial development, according to party secretary Hilary Modeste. Also approved was a comprehensive social affairs programme including community development and local government, Modeste reported. Four papers were remitted to the executive for further study. These are concerned with foreign affairs, sports, public utilities, and the role of Parliament and cabinet in the Government of St Lucia. The delegates also agreed to establish a provident fund among the members of the party.

THIONIER REVIVES DUVALIERIST REN PARTY

PA310408 Buenos Aires REUTER in Spanish 0034 GMT 31 Oct 86

[Text] Port-au-Prince, 30 Oct (REUTER) -- Former followers of the toppled Duvalier government today announced the establishment of a political party, which according to them will present a nationalist candidate for the 1987 presidential elections.

Officials of the Union for National Conciliation (REN) said during a news conference at their headquarters located in the outskirts of the city that they plan to draft statutes and subject them to ratification at a party congress in February or March. They then plan to designate a candidate for the November 1987 presidential election.

REN founder and spokesman Domingo Thionier said that his party advocates the political doctrine of former President Dumarsaid Estime, a populist black leader who ruled from 1946 to 1950. His program was also adopted by the late Francois "Papa Doc" Duvalier.

Duvalier's son Jean-Claude, who succeeded him as president of the country, was toppled as a result of a large popular uprising that took place early this year.

REN officials described the party as a "nationalist" movement that will carry out an "independent and nationalist foreign policy in keeping with their aspirations to achieve a new international economic order."

The REN pledged to fight illiteracy, which they described as the most serious problem facing Haiti, and stressed their democratic inclination.

Recent rumors on the creation and affiliation of the REN caused dismay among many Haitians.

A source close to the government said: "This party is the only one among more than 200 that has a possibility of winning."

The same source added: "They know how to organize themselves and fight in an electoral campaign. Do not forget that 'Papa Doc' was democratically elected in 1957."

Haiti, which has been ruled by a government council since Duvalier left the country, failed in its first democratic exercise on 19 October when only 15 percent of the qualified electorate voted to elect members to a Constituent Assembly.

FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 212 3 November 1986

INTER-AMERICAN AFFAIRS

Foreign Ministers Discuss Falklands Situation A 1
Iglesias Outlines Agenda [Montevideo] A 1
Commission Established [EFE] A 1
Abreu Sodre Reviews Meeting [EFE] A 2
Deputy Foreign Ministers Review Contadora A 2
Wieland Previews Meeting [NOTIMEX] A 2
Meeting Concludes [EFE] A 3

ARGENTINA

Government Communique Reasserts Sovereignty B 1
Jaunarena Confirms Military Committee Meeting B 2
Brazilian Daily Reports Military Movements B 2
Minister Denies Alfonsin Plans to Join Exercises B 2
Falklands Governor Dismisses Possibility of War [AFP] B 3
Commissions Study Imposing Economic Embargo B 3
Senator on Commissions B 4
Asset Embargo 'Last Resort' B 5
Caputo Discusses Issue With Abrams, Shultz B 6
Neighboring Nations Respond on Falklands B 7
Brazil Notes 'Concern' B 7
Uruguay's Tarigo Comments B 7
Torrigo Offers To Host Talks [AFP] B 7
Peru's Garcia Visits [AFP] B 8
Venezuela Criticizes UK B 8
Guatemala Gives 'Moral Support' B 9
Chile Takes No Official Stand B 10
Demonstration Begins in Downtown Buenos Aires B 10
Police Detain 27 Youths B 10
Police Guard UK Offices B 10
Caputo, Troccoli Brief Political Parties B 11
UCR Supports Government B 11
Government Will 'Guarantee' Fishing Agreements B 12
Senate Approves Agreements B 13
Jaunarena Discusses Military Reorganization B 13

CHILE

Navy To Extend Watch Over Soviet, Other Vessels E 1
Location, Type of Ships Cited E 1

VENEZUELA

Santana To Discuss Arms, 'Narco'-Guerrillas' L 1
Briefs: Production Increase L 1

PANAMA

Leaflet Says People Training for Armed Struggle [EL SIGLO 31 Oct] N 1
Canal Official Provokes Dredging Contract Probe [CRITICA 30 Oct] N 1
Delvalle Reportedly To Reshuffle Cabinet 4 Nov [DPA] N 2
IADB Members Visit Panama, Meet With Noriega N 3
UNO Leader Denies Contra Training in Panama N 3
Delegate Addresses UNGA Commission on Drugs N 4
Briefs: Supreme Court Justice N 4

CENTRAL AMERICA

COSTA RICA

Arias Postpones Mexico Visit, To Visit U.S. P 1
Nicaraguan Envoy Denies Sabotage Plan Links P 1
Arias Appoints Paniagua Government Minister P 1

HONDURAS

Azcona Confirms Aid Includes U.S. Aircraft [AFP] P 2
Azcona Views Support for Motion To Expel Contras P 2
Lopez on Contra Presence P 3
Azcona Criticizes Nicaragua, Supports Contadora P 4
Lopez Protests Nicaraguan Suit P 5

NICARAGUA

Ortega Addresses Sandinist Youth Movement P 5
Ortega Brands Right, Extreme Left as U.S. Tools P 9
Attorney General Reveals Hasenfus Case Documents [BARRICADA 30 Oct] P 10
Hasenfus Refuses To Make Statement at Session P 12
Wife Hands Over 'Instructions' P 13
Hasenfus Confirms Statement P 13
Attorneys View Hasenfus Trial P 14
Opposition Proposes POW-Hasenfus Exchange P 15
Jinotega Helicopter Crash Kills 21 Soldiers P 15
FDN Claims Helicopter Downing P 16
Government Releases Names P 16
Ramirez Notes 'Similarities' in U.S. Policy P 17

CUBA

U.S. Violates GATT Agreements With Oil Tax Q 1
U.S. Denies Visas to Cuban Specialists Q 1
Scientific Societies Protest Q 2
Havana Charges U.S. Defense Lab Developed AIDS Q 2
UK Move Seen as 'Provocative,' 'Chauvinist' Q 3
Castro Presides Over FAR Decoration Ceremony Q 3
Malmierca Meets With Palestinian Leader Q 4
Havana Cites Honduran Communist Leader on Unity Q 4

DOMINICAN REPUBLIC

IDB Grants Two Loans Totaling $137 Million R 1
Balaguer Warns Country Cannot Pay Debt by 31 Dec R 1

SURINAME

Herrenberg on Foreign 'Destabilization Campaign' U 1
Cabinet Berates Herrenberg U 1
Declaration Condemns Mercenaries, Foreign Aid U 1

FOREIGN MINISTERS DISCUSS FALKLANDS SITUATION

Iglesias Outlines Agenda

PY021731 Montevideo Radio El Espectador Network in Spanish 1600 GMT 2 Nov 86

[Report by special correspondent Bernardo (Hickman) from Punta del Este]

[Excerpts] At noon today, the foreign ministers of Argentina, Uruguay, and Brazil began a meeting at Posta del Cangrejo here in Punta del Este, to outline a joint strategy in view of the crisis that erupted on 29 October over the Malvinas Islands. [passage omitted]

What the three foreign ministers will seek to achieve here is a consensus, however, they will not release any statement, Uruguayan Foreign Minister Enrique Iglesias told El Espectador at noon today.

Iglesias said the meeting is scheduled to end at approximately 1700 local time [2000 GMT]. He added that they will meet with newsmen covering the meeting, but they will not issue a final statement.

Iglesias added that Uruguay will not mediate in the Malvinas conflict. He said Uruguay has conveyed to Argentina its support for a negotiated solution. [passage omitted]

Commission Established

PY030241 Madrid EFE in Spanish 2334 GMT 2 Nov 86

[Text] Punta del Este (Uruguay), 2 Nov (EFE) -- Argentine Foreign Minister Dante Caputo today said here that his country disagrees with Great Britain's idea of using "the name of a just cause such as the preservation of sea resources to try to prove its sovereignty over the Malvinas Islands."

After meeting with Uruguayan Foreign Minister Enrique Iglesias and Brazilian Foreign Minister Roberto Costa de Abreu Sodre, Caputo told the press that the exclusionary zone for fishing was a decision aimed at affirming British sovereignty over the islands.

Great Britain decided on 29 October to establish a 150-mile exclusionary zone around the Malvinas to protect fishing resources.

Caputo said that the decision made today in Punta del Este to institutionalize a mechanism of preservation of fishing resources in the South Atlantic "shows that coastal countries like us know how to take care of what legitimately belongs to us."

The three South Atlantic coastal countries decided, based on an Uruguayan proposal, to create a permanent commission of the South Atlantic to institutionalize the cooperation of the United Nations on Malvinas matters.

Caputo publicly thanked Brazil and Uruguay because today's meeting "was not only a sign of solidarity but also a meeting of political efficiency, integration and a demonstration of strength to carry out integration."

Abreu Sodre Reviews Meeting

PY030229 Madrid EFE in Spanish 2338 GMT 2 Nov 86

[Text] Punta del Este (Uruguay), 2 Nov (EFE) -- Brazilian Foreign Minister Roberto Costa de Abreu Sodre today stated that there are fears that the Malvinas issue could provoke "belligerent actions," and emphasized the need to work "to promote peace in the South Atlantic."

Abreu Sodre emphasized "the clear sense of unity" existing among the South Altantic coastal countries. He made the statement shortly before returning to Brasilia after meeting here with his Argentine and Urguayan counterparts.

He expressed his optimism that all OAS member countries "will join us in our effort to find solutions through dialogue."

Abreu Sodre was seen off at the Punta del Este airport by his Uruguayan counterpart, Enrique Iglesias, after attending a trilateral meeting in which it was decided to open new diplomatic channels on the Malvinas issue.

Abreu Sodre expressed his optimism about obtaining a negotiated solution by saying: "We will find the way out."

The Punta del Este meeting was attended by the foreign ministers of the three South Atlantic coastal countries. At the meeting, which lasted 4 hours, they decided to create a South Atlantic permanent commission which, according to Argentine Foreign Minister Dante Caputo, will be instrumental in asserting the South Atlantic countries' ability to preserve their fishing resources.

DEPUTY FOREIGN MINISTERS REVIEW CONTADORA

Wieland Previews Meeting

FL301837 Mexico City NOTIMEX in Spanish 0403 GMT 30 Oct 86

[Text] Mexico City, 29 Oct (NOTIMEX) -- In view of the difficult situation in Central America, the Contadora and Support Groups are determined to bring about a satisfactory solution for the benefit of all countries in the area, Peru's Vice Foreign Minister Hubert Wieland stressed.

In an interview granted on arrival in this city, the Peruvian Government representative rejected the notion that the meeting of the Contadora and Support Groups scheduled to take place in the Mexican capital the next 2 days is of an emergency nature.

He explained that the meeting was convoked as a result of a meeting held in New York, and its purpose is to prepare the agenda for a round of talks between the two groups' foreign ministers, whose efforts will be directed at establishing mechanisms which will end the Central American conflict through positive results.

Referring to the U.S. threat of breaking diplomatic relations with Nicaragua, Wieland said there are many speculative news that are based on rumors, which is why I find it necessary to confirm that version. He added that the efforts are aimed at avoiding a diplomatic vacuum, one of the principal objectives of the peace-seeking negotiations.

Meeting Concludes

PA011635 Madrid EFE in Spanish 1031 GMT 31 Oct 86

[Excerpts] Mexico City, 31 Oct (EFE) -- The meeting of the deputy foreign ministers of the Contadora and Support Groups ended this evening without a resolution being announced, despite the expectations that exist because of the increasingly acute crisis in Central America.

The diplomats reiterated the support which the countries of the two groups have traditionally given to "Argentine rights over the Malvinas Islands, a support that is well-known and that has been expressed at all levels and at all the pertinent forums."

The office of the Mexican foreign secretary has stated that "the conclusions reached (by the deputy foreign ministers) will be presented to the foreign ministers of the Contadora and Support Groups at the meeting scheduled for Rio de Janeiro in December." [passage omitted]

Today, in receiving the deputy foreign ministers, Mexican President Miguel de la Madrid said in order to jointly confront the current crisis, it is essential that we be in a position to reduce the region's external vulnerability." He noted that "the statements made at the deputy foreign ministers' meeting represent an important basis for periodic meetings of foreign ministers, who whould then be a better position to present to the presidents of the eight Latin American nations their work in favor of regional integration and cooperation."

Sources of the participants in the meeting have refused to give any information on any possible progress made on the agenda of the meeting, which took place behind closed doors.

GOVERNMENT COMMUNIQUE REASSERTS SOVEREIGNTY

PY012025 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1855 GMT 1 Nov 86

[Text] Buenos Aires, 1 Nov (NA) -- The Argentine Government rejected "the British pretension to assume upon itself the right to control the preservation and exploitation" of fishing resources 200 maritime miles around the Malvinas Islands and reaffirmed its sovereignty over those territories and over the South Georgias and South Sandwich Islands. The government's rejection of the British unilateral decision to extend the exclusive economic exploitation zone is contained in a note that was delivered to the British Government through the Brazilian Embassy in London which represents the Argentine interest in Great Britain.

The Argentine Foreign Ministry declaration, which was released today, says that "only through negotiations as called for by the UN resolutions, will a solution be found to the problems between the two countries, including the issue of sovereignty which brought about the UN resolutions. The following is the text of the declaration:

"The Ministry of Foreign Relations and Worship greets the Embassy of the Federative Republic of Brazil and requests that it convey to the government of the United Kingdom of Great Britain and Northern Ireland the following:

"The Argentine Government officially rejects the 'Declaration on Fishing in the Southwest Atlantic' made by the British Government on 29 October.

"It rejects in particular the British Government's pretension to assume upon itself the right to control the preservation ad exploitation of fishing resources in a zone up to 200 maritime miles around the Malvinas Islands and to exercise jurisdiction over the continental shelf around these islands.

"The Argentine Government has established its position in the face of this new British decision in an official communique released on 29 October, the text of which is attached as part of this document.

"Moreover, the Republic of Argentina reasserts its sovereignty over the Malvinas Islands, the South Georgias and the South Sandwich Islands, and also reasserts its sovereignty and jurisdiction rights over the surrounding seabed and its subsoil and will continue exercising these rights in its capacity as a coastal state according to international law. The Argentine Government rejects any assumed British right to exercise acts of sovereignty and/or jurisdiction in such areas, thus, once again rejecting the British position in this regard.

"By once again chosing to adopt unilaterally a measure and persisting against the resumption of the negotiations recommended by the UN General Assembly on the Malvinas issue, the British Government has chosen to introduce a new factor of tension in the area with unforseeable consequences. The British Government will undoubtedly be held responsible for this situation.

"Only through negotiations, as called for by the UN resolutions, will a solution be found to the problems between the two countries including the issue of sovereignty which brought about the UN resolutions.

"The Ministry of Foreign Relations and Worship reiterates to the Embassy of the Federative Republic of Brazil the assurances of its most distinguished consideration."

JAUNARENA CONFIRMS MILITARY COMMITTEE MEETING

PY311641 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1453 GMT 31 Oct 86

[Text] Buenos Aires, 31 Oct (NA) -- The Military Committee, which was created by decree as an advisory body for President Raul Alfonsin due to the Malvinas Islands situation, was formally installed this morning under the chairmanship of Brigadier General Teodoro Waldner, chief of the Joint Staff. The committee also includes Army Chief of Staff General Hector Rios Erenu, Navy Chief of Staff Admiral Ramon Arosa, and Air Force Chief of Staff Brigadier Ernesto Horacio Crespo. It met formally for the first time in the offices of the Joint Staff, which are located in the Defense Ministry. This information was confirmed today by Defense Minister Horacio Jaunarena, who also stated "the Military Committee will carry out its task when ordered so by President Alfonsin."

BRAZILIAN DAILY REPORTS MILITARY MOVEMENTS

PY011335 Madrid EFE in Spanish 1242 GMT 1 Nov 86

[Text] Sao Paulo, 1 Nov (EFE) -- The daily FOLHA DE SAO PAULO reported today that last Friday Argentina started to move ships and armaments toward the south of the country after the British decision to create a 200-mile fishing reserve zone around the Malvinas Islands. In a report from its Buenos Aires correspondent, the Brazilian daily said the aircraft carrier 25 de Mayo, the flagship of the Argentine Navy, left early on Friday morning with other ships for the Comodoro Rivadavia Navy base, 2,900 km south of Buenos Aires.

The daily further said that a squadron of U.S.-made A-48 planes "took off from an air base in San Luis Province in northern Argentina, to join Army and Navy forces in the southern part of the country" The newspaper added that the military movements are part of the "war hypothesis" decided on by General Hector Rios Erenu, commander of the Argentine Army, and approved by the Military Committee created by President Raul Alfonsin to face the new crisis over the Malvinas Islands.

MINISTER DENIES ALFONSIN PLANS TO JOIN EXERCISES

PY022100 Buenos Aires DYN in Spanish 1549 GMT 2 Nov 86

[Excerpt] Buenos Aires, 2 Nov (DYN) -- Defense Minister Horacio Jaunarena categorically denied today's news reports that President Raul Alfonsin plans to join the sea fleet which is carrying out naval exercises in the South Atlantic. Jaunarena made this statement at the conclusion of a ceremony to honor those who have given their lives for the country. The ceremony was held in the Stella Maris Chapel of the Military Vicariate and was attended by the president and high-ranking military officials.

Last night, a Buenos Aires morning daily quoted "an unofficial report that President Raul Alfonsin may in the next few days go aboard one of the main ships participating in the naval exercises in the South Atlantic." Jaunarena categorically denied the report. He added that "there is no news" in the military area in relation to the British Government's decision to declare a 150-mile control and administrative exclusion zone around the Malvinas Islands. [passage omitted]

FALKLANDS GOVERNOR DISMISSES POSSIBILITY OF WAR

PY311122 Paris AFP in Spanish 2042 GMT 30 Oct 86

[Text] Santiago, 30 Oct (AFP) -- During a telephone conversation with the daily LA SEGUNDA of Santiago, the British governor of the Malvinas, Gordon Jewkes, today dismissed the possibility of a new war with Argentina. Referring to the tense atmosphere in the South Atlantic resulting from the British decision to establish a fishing exclusion zone of 150 miles around the islands, Jewkes stated "our Navy or Air Force will not act for the time being."

The British representative, appointed governor after the war against Argentina 4 years ago, said the British forces "are ready to defend the territory" of the Malvinas but the measures to control fishing in the maritime zone will be similar to those implemented with other countries.

When asked about the possibility of another war, the governor recalled that Argentine President Raul Alfonsin has voiced his support for peaceful solutions. During the telephone interview, Jewkes added: "and I am aware that Alfonsin does not want a war, he has said so."

The minister-counselor of the Argentine Embassy in Chile, Raul Estrada, agreed with the governor's statements but noted the British decision means overlapping the Malvinas fishing zone with the 200 mile zone from the Patagonia coast, thus creating an "inevitable conflict." Estrada added "naturally President Alfonsin is not going to start a war but we are faced with British aggression." The diplomat recalled that the British unilateral decision was taken 2 days after the UN General Assembly declared the South Atlantic a zone of peace and cooperation "with the United Kingdom's favorable vote."

COMMISSIONS STUDY IMPOSING ECONOMIC EMBARGO

PY010227 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1907 GMT 31 Oct 86

[By Daniel Santoro]

[Excerpt] Buenos Aires, 31 Oct (NA) -- The government has decided to speed up studies regarding the possibility of imposing an embargo on British assets in Argentina should the decision made by Margaret Thatcher's government to extend the economic exclusion zone up to 240 km around the Malvinas materialize.

This measure proves that government authorities are determined to follow up their claims made at various diplomatic forums with concrete measures in view of this new British offensive which takes plae deliberately only 2 weeks after the United Nations discussed the South Atlantic conflict.

Caputo revealed that there are four ad hoc commissions in charge of these studies at the San Martin Palace [Foreign Ministry]. He disclosed this information while briefing the Senate on the situation created by London during a secret session held yesterday. Partial contents of that meeting were leaked to the media today.

The truth is these study commissions, kept secret up to now, have existed at least since July 1985. They worked intensively when London unilaterally lifted the restrictions it had imposed on Argentine exports during the war in 1982. On that occasion the government did not take a similar measure but made a counterproposal which consisted of even declaring a formal cessation of hostilities and inviting the United Kingdom to start negotiations regarding "all aspects of the future" of the islands during the following 60 days, but this did not happen.

Today, when consulted at Government House about these leaks the foreign minister did not dismiss the possibility of adopting measures against British assets by briefly stating "we will not dismiss any measure." Moreover, as is public knowledge, government-appointed inspectors have been overseeing the British enterprises since 1982 in compliance with a decision made by Former Economy Minister Roberto Alemann.

Caputo's statements do not include the possibility of suspending the payment of interest on the foreign debt to the foreign creditors because the government believes that to do so would present technical difficulties and be criticized by the international financial community.

Diplomatic circles do not believe the government will engage in a multilateral negotiation for the exploitation of the resources of the area in conflict in the South Atlantic as is the intention of the British diplomacy by leaving some channels open with the exception of the economic exclusion zone that will be in force as of 1 February 1987. [passage omitted]

Senator On Commissions

PY0!0316 Buenos Aires Domestic Service in Spanish 1600 GMT 31 Oct 86

[Report by Jorge Rios from congress with remarks by Senator Antonio Oscar Napoli, date and place not given -- recorded]

[Excerpt] Foreign Minister Dante Caputo may have said four commissions have been formed to study the possibility of taking measures against British assets in Argentina, including the suspension of foreign debt payments to British creditor banks. Although Senator Saadi has practically confirmed that such measures are being studied, it is important to have Jorge Rios report from Congress on what he may have found out from Senators there.

[Begin recording] [Rios] Good afternoon. In fact, I have just talked with Antonio Oscar Napoli, president of the UCR [Radical Civic Union] bloc, on that subject. I asked him directly whether it is true that Foreign Minister Dante Caputo had informed the Senate during the secret session that those commissions have been formed to study the possibility of nationalizing British assets in Argentina, and of suspending payments on the foreign debt with British creditors. This was Napoli's reply:

[Napoli] The session was secret as you said and it should therefore remain secret. What was said during the session cannot be made public. Nevertheless, I flatly deny that Minister Caputo might have made that statement during the secret meeting.

[Rios] Could such reprisals be adopted against Great Britain for the decision it made regarding the Malvinas?

[Napoli] Well, all this is being studied. In fact there are four commissions that are studying this matter, analyzing what can be done.

We find the statement by Antonio Oscar Napoli quite clear. He indecd affirmed that four commissions are analyzing the matter. [end recording] [passage omitted]

Asset Embargo 'Last Resort'

PY011354 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1200 GMT 1 Nov 86

[Excerpts] Buenos Aires, 1 Nov (NA) -- According to official sources, Argentina's strategy to oppose the British decision to extend to 200 miles the exclusive economic exploitation zone around the Malvinas Islands seeks to intensify the diplomatic offensive, while any type of military action is completely rejected.

The Argentine Government yesterday intensified the analysis of the diplomatic, economic, and security measures to be adopted in view of the situation. It was noted in this regard that the embargo of British assets in Argentina or other financial measures against Great Britain would be implemented as a "last resort."

A series of meetings were held yesterday at the Foreign Ministry within the diplomatic framework. These meetings were attended by government officials and opposition politicians such as Deputy Jose Bordon, a member of the Peronist Renewal Movement and vice president of the Chamber of Deputies Foreign Relations Commission.

It was learned that during these meetings they discussed the steps to be taken at the international level regarding the conflict and they also discussed the possibility of granting priority to the issue within the Nonaligned Movement, the UN Security Council, or the Inter-American Reciprocal Assistance Treaty (TIAR). This idea was supported by all those present at the series of meetings held by the Foreign Committee, established through a decree issued by President Raul Alfonsin, which yesterday held its first official meeting to discuss "the different effects that the present situation may bring about."

According to the same source, the Argentine Government intends to "lower the tone" of the conflict with Great Britain and this is why it has not yet "issued special orders" to the Armed Forces. [passage omitted]

The source also denied the rumor circulated about an incident involving a fishing ship by noting that if something had happened, "it would have been reported." The source was thus denying the alleged incident.

CAPUTO DISCUSSES ISSUE WITH ABRAMS, SHULTZ

PY022143 Buenos Aires DYN in Spanish 1447 GMT 2 Nov 86

[Text] Buenos Aires, 2 Nov (DYN) -- Foreign Minister Dante Caputo confirmed that yesterday he met with Elliot Abrams, assistant secretary of state for Inter-American affairs and President Reagan's special envoy, and he also talked on the phone with Secretary of State George Shultz. Regarding the conversation with Shultz he said: "We agreed on the need for negotiations as a mechanism to prevent a conflict, and to study practical ways to find a solution" in relation to the crisis unleashed by the British Government's unilateral decision to enforce 150-mile economic exclusion zone around the Malvinas Islands.

Caputo made this statement at 1000 just before leaving from the Aeroparque Metropolitan Airport for Punta del Este where he is going to meet with his Uruguayan and Brazilian counterparts, Enrique Iglesias and Roberto de Abreu Sodre respectively, to study a common front to face the situation created by Great Britain.

Elliot Abrams and Caputo accompanied by Roberto Gelbard, the U.S. official in charge of the South American area, yesterday met to discuss the possibility of a U.S. declaration on the British decision.

During the telephone conversation with Caputo, Shultz reportedly told him he is now better informed about this issue after talking with his envoy who was in Buenos Aires yesterday. Reliable sources indicated that Shultz reportedly said Washington was not informed of the step Margaret Thatcher's government was going to take and the offical position of his government is to call on the two sides to resolve the problem through negotiations. Shultz also reportedly reiterated that the Reagan administration refrains from making any judgment regarding the sovereignty dispute over the Malvinas.

Today Caputo is going to meet with his Uruguayan and Brazilian counterparts in Posta del Cangrejo, 15 km from Punta del Este. The meeting is the result of an initiative of Uruguayan President Julio Sanguinetti who, after learning of the British unilateral decision, phoned Presidents Aflonsin and Sarney to discuss the issue. Just before leaving for Punta del Este Caputo said it is "quite possible" that at the conclusion of the meeting the foreign ministers of the three countries will adopt a "joint position" regarding the Malvinas issue and will invite the other Latin American countries to join them.

Reliable sources indicated it is quite possible at the conclusion of the meeting a draft declaration will be issued with the idea of presenting it to the upcoming UN assembly to reaffirm the Argentine rights over the Malvinas. In this regard the Argentine Government hopes to achieve "international condemnation" of the British action and a UN declaration calling for no changes to be made in the Malvinas Islands situation.

With this purpose in mind Jorge Sabato, the Foreign Ministry's secretary of international relations, left for Spain, Italy, France and the Netherlands to explain the Argentine position to those governments. Jaun Carlos Gimenez, an official of the Foreign Ministry's Nonaligned Department, is going to Algeria, Yugoslavia and Zimbabwe also to explain to those governments the Argentine position.

[Buenos Aires TELAM in Spanish at 2136 GMT on 2 November states: "Argentine Foreign Minister Dante Caputo returned to our country today from Uruguay on board the presidential plane Tango-01, which landed at the Metropolitan Airport at 1820 [2120 GMT]."]

NEIGHBORING NATIONS RESPOND ON FALKLANDS

Brazil Notes 'Concern'

PY312021 Buenos Aires TELAM in Spanish 1941 GMT 31 Oct 86

[Text] Buenos Aires, 31 Oct (TELAM) -- Through its embassy in Buenos Aires, the Brazilian Foreign Ministry has released a communique reaffirming its support for the Argentine sovereign claims over the Malvinas Islands and recalling its repeated calls for the establishment of a negotiated solution on the subject.

The communique adds that Brazil views with great concern any unilateral decision that may increase tension in the South Atlantic area. It also recalls the recent approval by the United Nations of its initiative to create a zone of peace and cooperation in the South Atlantic.

Uruguay's Tarigo Comments

PY311800 Montevideo Radio El Espectador Network in Spanish 1600 GMT 31 Oct 86

[Excerpts] Uruguayan Vice President Enrique Tarigo today attended the dedication ceremony of a ferry boat at the Campana shipyards. In remarks to newsmen on the Argentine-British conflict over the Malvinas, Tarigo said: Traditionally, Uruguay has always been on Argentina's side. Today, it is no different. He noted that Uruguay recognized Argentine sovereignty over the islands, but it should also be considered that Great Britain has occupied the islands for more than 100 years.

[Begin recording] [Tarigo] [passage omitted] Uruguay has traditionally endorsed the Argentine position. We believe the Malvinas Islands belong to Argentina for historical and geographical reasons. We do not ignore, however, the fact that the islands have been in Britain's possession for more than 100 years. We suggest that the two parties negotiate a solution. [passage omitted]

[Reporter] Mr Tarigo, Argentine Foreign Miniter Dante Caputo has said that Argentina plans to raise the issue before representatives of the Inter-American Reciprocal Assistance Treaty [TIAR]. What is your opinion on this?

[Tarigo] Well, this is a truly sensitive subject, isn't it? In my opinion, the TIAR will not be instrumental in solving this type of conflict. It was not a useful instrument in 1982. At this point, the only thing we wish to publicly state is our solidarity with Argentina and to urge both parties, especially Argentina, to act with great calm and wisdom. In no way should they even consider the possibility of engaging in a conflict similar to that of 1982. [end recording] [passage omitted]

Tarigo Offers To Host Bilateral Talks

PY011721 Paris AFP in Spanish 1350 GMT 1 Nov 86

[Excerpts] Montevideo, 1 Nov (AFP) -- Uruguayan Vice President Enrique Tarigo today said that the Uruguayan Government will sponsor a meeting between Argentine and British authorities in this country in order to start negotiations on the sovereignty over the Malvinas Islands.

"The important issue now is to examine all the possibilities to prevent the British ships that are patrolling the exclusion zone (around the archipelago) from clashing with the Argentine surveillance ships in the same area, which could unleash a conflict," Tarigo said.

The Uruguayan vice president also said that the Inter-American Reciprocal Assistance Treaty [TIAR] "is not useful to resolve this sort of porblem, just as it was not useful in 1982" when Argentina and the United Kingdom engaged in a war over the Malvinas.

He also ratified Uruguayan solidarity with the Argentine claim of sovereignty over the Malvinas, and he exhorted both parties to act with "prudence and good judgment." Tarigo pointed out that "everyone finds it remarkable that Great Britain should establish a time limit on the fishing permits in the exclusion zone expiring on 1 February 1987, when the British elections will be held by mid-February." "That this is no mere coincidence can easily be sensed, and I think that the Labor Party has realized this and have pointed it out," Tarigo added. [passage omitted]

Peru's Garcia Visits

HK031038 Hong Kong AFP in English 1025 GMT 3 Nov 86

[Text] Lima, Nov 3 (AFP) -- President Alan Garcia flew to Buenos Aires before dawn Monday to express Peru's solidarity with Argentina over its fresh dispute with Britain over the Falkland Islands, it was announced here.

Garcia, who was accompanied by two ministers and a multi-party parliamentary delegation, will have talks with President Raul Alfonsin during his visit. He is due home Tuesday.

Argentina has protested Britain's enforcement of fishing restrictions around the South Atlantic island.

Venezuela Criticizes UK

PA310330 Caracas Television Service in Spanish 0000 GMT 31 Oct 86

[Excerpts] Yesterday the British Government declared a 150 mile-area around the Malvinas Islands as an exclusive fishing area. At the same time, it charged that Argentina is patrolling aggressively in the area where the two countries waged a war in 1982.

According to British Foreign Secretary Geoffrey Howe, the idea is to fish in, preserve, and administer this 150-mile area beginning on 1 February 1987. [passage omitted]

Today in Miraflores, President Lusinchi met informally with reporters. He said that the British decision affects sovereign Argentine rights. He pointed out that his talks with President Raul Alfonsin were cordial. Lusinchi said that during this meeting, he reaffirmed Venezuela's unyielding position to respect the self-determination of the peoples.

Meanwhile, Foreign Minister Simon Alberto Consalvi summarized the Venezuelan Government position in the official communique released this afternoon by the Yellow House:

[Begin Consalvi recording] We believe that this unilateral decision by the British Government is contrary to UN General Assembly decisions calling on the sides involved to not make decisions of this nature, that is, unilateral decisions that could increase tension in the region. [end recording]

This Venezuelan Government position, released through the Foreign Ministry, will be presented in all international forums. It is in keeping with positions previously taken by our representatives in the United Nations and the OAS.

Guatemala Gives 'Moral Support'

PA010225 Panama City ACAN in Spanish 2257 GMT 31 Oct 86

[Text] Guatemala City, 31 Oct (ACAN-EFE) -- The Guatemalan Government today offered "full moral support" to Argentina in its disagreement with the United Kingdom regarding the Malvinas Islands.

Foreign Minister Mario Quinonez Amezquita said "the Guatemalan Government and people recognize that the Malvinas Islands are Argentine territory."

The new dispute between Argentina and the United Kingdom occurred Wednesday when the British decided to extend the zone of their jurisdiction around the Malvinas Islands. This zone of 150 miles is regarded as an "exclusionary zone" [zona de exclusion] since the war in which the two countries confronted each other in 1982.

Quinonez Amezquita said the expansion of the British conservation and administration zone violates the 200-mile Argentine maritime jurisdiction.

"The position of President Cerezo's government is clear. We do not believe that the self-determination of the peoples can be advocated in illegally occupied territories," Quinonez Amezquita said.

He also said that the British-Argentine disagreement "could be discussed at the coming OAS general assembly, to be held in Guatemala City 10-17 November."

"The Malvinas Islands are illegally occupied by the United Kingdom. To us, however, the islands are Argentine territory. Because of this, President Raul Alfonsin has our support and help," Quinonez Amezquita said.

Guatemala, which resumed consular relations with the United Kingdom on 14 July 1986 -- diplomatic relations have been suspended since 1977 -- claims jurisdiction over Belize. The United Kingdom liberated that former colony on 21 September 1981.

CHILEAN TAKES NO OFFICIAL STAND

PY010155 Santiago Radio Portales in Spanish 2230 GMT 31 Oct 86

[Excerpt] [passage omitted] The Chilean Government has not taken a stand on the issue yet. Chilean Foreign Minister Jaime del Valle has refused to comment on a statement issue by the Chilean Embassy in Buenos Aires. The embassy statement, which was reported in Santiago through news agency reports, says that during a long meeting at the Argentine Foreign Ministry, Ambassador Arturo Fontaine conveyed to Argentine Foreign Minister Dante Caputo the official Chilean support.

The news agencies reported that the Chilean Embassy declaration states that the Chilean Government is willing to show its solidarity with Argentina on any occasion and at any forum in which such support might be necessary. [passage omitted]

DEMONSTRATION BEGINS IN DOWNTOWN BUENOS AIRES

PY010258 Buenos Aires DYN in Spanish 0111 GMT 31 Oct 86

[Text] Buenos Aires, 31 Oct (DYN) -- Four thousand people, most of whom are members of the People's Front [Frente del Pueblo] tonight began a march from the congress area down to Plaza (?de Mayo) square, to protest the British decision of extending its fishing protection zone around the Malvinas Islands. With shouts of "we will not pay for NATO missiles with our people's hunger," the excited crowd prepared to burn British flags in front of a Bank of London branch office in the Once neighborhood. After burning the flag a young Malvinas War veteran will read a document demanding the national government confiscate British assets in Argentina.

Police Detain 27 Youths

PY010300 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0213 GMT 1 Nov 86

[Text] Buenos Aires, 31 Oct (NA) -- At least 27 youths were detained tonight in the zone of Plaza Once, in this capital, when the police repressed a demonstration against the British decision to extend the economic protection zone around the Malvinas Islands. The police hurled tear gas grenades and repressed the demonstrators with sticks. These people have been called by the political youths to stage a demonstration around Congress and in front of the Bank of London.

Police Guard UK Offices

PY011249 Buenos Aires DYN in Spanish 1110 GMT 1 Nov 86

[Text] Buenos Aires, 1 Nov (DYN) -- The Federal Police last night decided to guard British commercial and cultural office buildings to prevent incidents like the one that took place in the Plaza Once where groups of demonstrators attacked a Bank of London branch office and had to be repressed. The Police Operations General Directorate ordered all patrol cars to the different police stations to guard these buildings with the special order to arrest anyone attacking or promoting hostile actions against them.

CAPUTO, TROCCOLI BRIEF POLITICAL PARTIES

PY312005 Buenos Aires TELAM in Spanish 1731 GMT 31 Oct 86

[Text] Buenos Aires, 31 Oct (TELAM) -- Today foreign Minister Dante Caputo reiterated there has been no preparation for war in regard to the disagreement over Great Britain's unilateral decision to establish an economic exclusion zone around the Malvinas. At the same time Caputo praised the decision of the entire Argentine political leadership to support the executive branch's position on the matter.

Caputo made these statements this afternoon at Government House after he and Interior Minister Antonio Troccoli took part in a meeting with the representatives of political parties to inform them about the subject. The foreign minister stated that the government would act prudently, but firmly and, in answering questions in this regard, did not dismiss the possibility that British assets may be confiscated.

Caputo said: I would like to tell the entire public there is no reason to worry or be concerned, there have been no military preparations and the only decisions made were to create a forum to discuss the military consequences of this situation -- he commented that the commission [Military Advisory Commission] is in charge of tactical and strategic studies regarding the events that may develop in the area -- and another decision was to cancel leave for 1967 draftees. This is the least that could be done. Caputo said it is not conceivable that, if attacked by a foreign country, or if some kind of friction unfortunately arises in the area, we should be granting leave to our troops; but no troops are being deployed, there is no situation of alert.

The foreign minister said the entire public should know everything will be done with a great sense of responsibility, and the Argentines are faced with the phantom of war; but they should also be aware of the manner in which the national government has faced international issues. He recalled that peace in the Beagle Channel was an achievement of this democratic government and we have always preached peace in the international forums.

Caputo said President Raul Alfonsin [words indistinct] peace in the world, therefore, there is no reason for concern, adding we will continue to be fully coherent with this position, but please let it be understood all Argentines should share this idea with us: The lack of preparations for war does not mean weakness, and although we are concerned about the possibility of a conflict that we sincerely hope will not occur, we are also concerned about the integrity of our territory.

He noted that just as the Argentine mothers would feel anguish and concern if there should be preparations for war, so would all Argentines feel anguish and concern if they did not see the minimum measures being taken to defend the national territory. Once again Caputo reiterated that the government will act in a firm, prudent manner to defend Argentine interests.

UCR Supports Government

PY311128 Buenos Aires TELAM in Spanish 2109 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct 86 (TELAM) -- The Radical Civic Union (UCR) national committee has called upon the people to take a patriotic stand, to make an effort to overcome ideological differences, and to reach an accord based on a consensus.

Following the British decision to establish an exclusion zone around the Malvinas Islands, the UCR committee issued a communique stating that the UCR supports the diplomatic and security measures that the government has adopted to preserve our sovereignty in Patagonia and in the southern ocean.

The communique was released after a meeting of the committee's executive board, which was presided over by Edison Otero. The meeting was also attended by Cesar Jarovslasky, Marcelo Stubrin, Conrado Storani, Anibal Reinaldo, Osvaldo Alvarez Guerrero, and other UCR members. The executive board also decided to call a meeting of UCR delegates on 29 November in San Luis and for a national party convention for 13 December in Parque Norte.

GOVERNMENT WILL 'GUARANTEE' FISHING AGREEMENTS

PY010040 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2003 GMT 31 Oct 86

[Text] Buenos Aires, 31 Oct (Na) -- Deputy Foreign Minister Jorge Sabato said today the Argentine Government will "gurantee" all fishing agreements signed with the Soviet Union and Bulgaria. He said these agreements are currently being threatened by the unilateral British decision, and the United Kingdom's measure "implies moving toward a conflict or toward another type of problem" in the South Atlantic.

Sabato voiced his hopes that no "frictions" will occur in that zone of archipelago and urged the British Government to follow the lead of the Argentine Government, and act "with care and prudence." The deputy foreign minister made these statements at Eziza International Airport shortly before leaving for Paris, France, to start a tour that will take him to several European capitals to explain the Argentine stance regarding the measure announced by the United Kingdom.

He explained that "basically the purpose of the trip is to explain the current problem, because the way the British describe the situation is deliberately confusing and seeks to conceal the main problem; that of sovereignty." He added that "under the pretext of problems related to the preservation of fishing resources; we are subjected to real problems of "revendication, usurpation and new aggression by the United Kingdom."

Sabato said the British attitude signifies "not only putting aside the UN resolution not to innovate in that area" (resolution de no innovar en esa area) but also "moving toward a conflict or toward another type of problem." Moreover, he asserted the Argentine Government will "guarantee" the fishing agreements signed with the Soviet Union and Bulgaria, which are currently threatened by this British measure.

The deputy minister said "this attempted British revindication directly affects the area in which Argentina has for a long time peacefully exercised sovereign rights, with the recognition of all nations. He reiterated that "this decision does not follow the rules of international law" since it "affects a soverign area in dispute and the United Nations has repeatedly recommended there be no innovation in these types of areas."

Sabato disclosed that the tour, which includes Paris, Rome, and Amsterdam, could be extended to include other European capitals and even New York.

Senate Approves Agreements

PY010146 Buenos Aires DYN in Spanish 0012 GMT 1 Nov 86

[Text] Buenos Aires, 31 Oct (DYN) -- The Senate tonight unanimously approved the fishing agreements signed by Argentina and the Soviet Union. The voting took place during the last of the ordinary sessions, and after Justifialist Senator Humberto Martiarena voiced his bloc's approval of the agreement.

JAUNARENA DISCUSSES MILITARY REORGANIZATION

PY311538 Buenos Aires TELAM in Spanish 2030 GMT 29 Oct 86

[Text] Buenos Aires, 29 Oct (TELAM) -- Defense Minister Jose Horacio Jaunarena today said the creation of a peace zone in the South Atlantic by the United Nations will contribute toward having a tension - free zone in this part of the continent. During a ceremony on the day of the Argentine Naval Prefecture, held in Costanera Sur, Jaunarena said the British presence, surping the Malvinas, in some way darkens this possitibility. Regarding the Defense Draft Law submitted by the Senate to the Chamber of Deputies for its approval, Jaunarena indicated the law will facilitate the reorganization of the Armed Forces. He added: Once the law is approved by the Chamber of Deputies, we will have a more rational organization of the Armed Forces.

Speaking before National Naval Prefect Juan Mosqueda, government, judicial, and church officials and security organizations, Jaunarena pointed out that the process of reorganization of the military institutions is continuously being conducted, that progress has been made, and that more progress can be expected in 1987. He added that the reorganization demonstrates the confidence the government has in the men who are currently commanding the Armed Forces.

Jaunarena also revealed that in the next few days the executive branch will submit to a Senate committee the list of promotions in the Armed Forces which includes the positions of chiefs of staff and those promoted to lieutenant general and admiral. He also announced studies are being conducted to decide if the chief of the Joint Chiefs of Staff is going to have a temporary rank. He added the study is aimed at finding out if this would be convenient for the forces, but that the study has not yet concluded, and that, therefore, no decision has been made.

Jaunarena also denied that the military exercises conducted by the Army in the southern part of the country have any links with the possibility of a conflict with Chile. He indicated it was a routine military exercise to keep the forces ready in case of an attack.

Asked about our country's new request for extradition from Spain of former security agent Raul Guglielminetti, Jaunarena said this is a problem which is out of the jurisdiction of the Defense Ministry. He added that the Justice Department and the Interior and Foreign Relations Ministries are working on this case.

Asked if the proposal not to militarize the South Atlantic would facilitate future negotiations of Argentine sovereignty over the Malvinas, Jaunarena said: I do not know. What I can say is Argentina is always willing to negotiate and firmly defends the principle of sovereignty over the islands. Naval Prefecture Day was also celebrated in the regional offices throughout the coutry.

NAVY TO EXTEND WATCH OVER SOVIET, OTHER VESSELS

PY311653 Paris AFP in Spanish 1300 GMT 31 Oct 86

[Text] Valparaiso, 31 Oct (AFP) -- Naval sources today reported that the Chilean Navy will extend its watch over the Soviet, Polish, and Cuban fishing vessels that operate off the Chilean coast.

The report indicates that the watch will be reinforced by two missile boats which will leave from the Valparaiso port in the next few hours. The boats will be supported by reconnaissance flights.

Last August the Chilean military government reported that arms for the leftist guerrilla group were smuggled into Chile from a Cuban factory ship that was operating in the Southeast Pacific.

Cuban, Polish and Soviet fishing vessels fish all year round off the extensive Chilean coast but the fishing is conducted outside the 200-mile zone claimed as an exclusive zone by Chile.

These vessels put in to the Chilean coast only to get supplies, put sick people ashore and change the crew who are either coming or going from their country of origin.

The Chilean Navy reported on 29 October that 81 Soviet and Polish fishing vessels were operating that day about 350 miles off the southern Chilean coast.

Location, Type of Ships Cited

PY010136 Santiago Domestic Service in Spanish 2200 GMT 31 Oct 86

[Text] The First Naval Zone has issued the following communique:

Twenty-three fishing ships have been detected 300 miles offshore in an area between Mejillones and Caldera, at 23 degrees south and 27 degrees south latitude, respectively, where 5 Cuban and 18 Russian ships are carrying out fishing and fish processing operations. This information has been obtained by a Chilean naval patrol, which is thus complying with its duty to preserve our maritime resources and our sovereignty over our economic maritime zone. The ship Casma of the Saar IV class, under the command of Lieutenant Commander (Edward Gibbons), undertook this mission on 22-25 October in the area where the Cuban and Soviet fishing and factory ships were detected.

There are approximately 80 foreign fishing ships operating outside the Chilean economic maritime zone. The ships are about 120 meters long, are painted white and light grey, and sail at a speed ranging from 6 to 8 knots. The ships are using 600-meter nets.

The mission was supported by a Navy patrol plane, which took pictures of the ships. It is well-known that the ships belonging to countries within the Soviet orbit are used to gather intelligence and distribute subversive materials throughout the world, as they have done in Chile. The communique in signed by First Lieutenant (German Iturra Mausier), chief of the Public Relations Department of the First Naval Zone.

SANTANA TO DISCUSS ARMS, 'NARCO-GUERRILLAS'

PA292306 Caracas Television Service in Spanish 1600 GMT 29 Oct 86

[Text] The director of CAVIM [Venezuelan Corporation of Military Industries], Brigadier General Jose Santana Quevedo, is expected to arrive in the country in a few hours to provide information on the arms trafficking presumably intended for the narco-guerrillas [narco-guerrilla]. It was also learned that sometime today, 1 of the 18 people arrested in connection with this case will be taken to the military court in Caracas to testify before Colonel Nestor Luis Murillo.

Defense Minister Major General Jose Rafael Cardozo Grimaldi has reported 18 people have been arrested so far. The weapons sent to the narco-guerrillas were obtained through concessionaries of CAVIM. The permits were issued by the Arms and Explosives Office, which later received a considerable amount of money for these permits.

[Begin recording] [Cardozo Grimaldi] It was mostly ammunition for small-caliber weapons, 9 mm, not the more powerful ones.

[Reporter] Have the investigations determined these weapons were given to Colombian guerrillas?

[Cardozo Grimaldi] There might be some connection with the Colombian subversive elements, inasmuch as the so-called Commander Sosa appears to be -- judging from the investigations that have been carried out and some documents -- a member of the Colombian M-19 and the Army of National Liberation subversive groups. [end recording]

Meanwhile, Interior Minister Jose Angel Ciliberto has emphasized the former director of the Arms and Explosives Office, (Domingo Delesandri), is free and willing to cooperate as much as possible. He said there has not been a reappearance of the guerrillas in the country and no member of any rebel group has infiltrated the security corps.

[Begin recording] [Ciliberto] I myself made the announcement about the issue of the Arms and Explosives Office of the Interior Ministry. Investigations continue, but I must report the dossier that includes information from all of the investigations has been turned over to the military courts. [end recording]

BRIEFS

PRODUCTION INCREASE -- The Venezuelan Council of Industry has reported there has been a favorable increase in the levels of production. This year, employment in the industrial sector has increased by 1.5 percent. [Summary] [Caracas Television Service in Spanish 1600 GMT 27 Oct 86 PA]

LEAFLET SAYS PEOPLE TRAINING FOR ARMED STRUGGLE

PA311925 Panama City EL SIGLO in Spanish 31 Oct 86 p 5

[From the "Leaks and Tips" column]

[Text] A clandestine leaflet is circulating throughout the country. The leaflet says that 100 people who belong to a self-styled Hugo Spadafora National Liberation Front [Frente de Liberacion Nacional Hugo Spadafora -- FLNHS] are currently in the mountains of Panama preparing an armed struggle.

The alleged Panamanian guerrillas claim in their leaflet that they have some weapons as well as the support of a powerful country that is prepared to give them a hand to finish off this government, which, according to the leaflet, has been "militarized." The alleged guerrillas say they are not Communists and would never accept help from Communists. In spite of journalistic efforts, we have been unable to verify the veracity of the leaflet or the existence of the FLNHS.

CANAL OFFICIAL PROVOKES DREDGING CONTRACT PROBE

PA311958 Panama City CRITICA in Spanish 30 Oct 86 pp 1, 26

[By Euclides M. Corro]

[Text] Engineer Mike Drennan of the Engineering and Construction Bureau of the Panama Canal Commission has made serious charges against Dennis McAuliffe, administrator of the Canal Commission, for having unexpectedly and without competitive bidding hired a U.S. company to undertake the dredging work in the slide area in Culebra Cut.

According to Drenna, McAuliffe is involved in a shady land deal which has provoked a reaction from sectors of the Canal Commission. As a result, McAuliffe will have to answer serious questions from the Panamanian side regarding the handling of the contract with the Great Lakes firm.

There are qualified firms with special equipment in Panama which should have been considered before McAuliffe hurried to hire a U.S. firm, encouraged by the Marine Bureau of the Canal Commission.

In making his charges, Mike Drennan questioned the 90-day contract given to the Great Lakes firm when it had already been announced that, with the Canal Commission's own resources, the work to clean up the landslide would take approximately 60 days.

"The canal administration should not only appear serious but should be serious," Drennan said, adding that "the hiring of a U.S. firm without the bidding procedures and without making inquiries in Panama, creates serious and well-founded suspicions."

Drennan's statement clearly shows that Dennis McAuliffe is taking out 1 million cubic yards of rock and earth whose destiny must be carefully investigated. [sentence as published]

DELVALLE REPORTEDLY TO SHUFFLE CABINET 4 NOV

PA020327 Hamburg DPA in Spanish 1952 GMT 1 Nov 86

[Text] Panama City, 1 Nov (DPA) -- The Panamanian Government headed by President Eric Arturo Delvalle will have a new cabinet beginning next week. Seven new ministers will join the cabinet and five will stay. Changes will also be made at the OAS and in Washington, and there will be a new deputy foreign minister.

Sources close to President Delvalle told DPA that the president will make the official announcement on Tuesday, 4 November, following the long holday that began at 1600 Friday and will end on Tuesday in celebration of the national holiday on 3 November, Panama's independence day.

The cabinet will be as follows:

Foreign Minister	Jorge Abadia Arias
Presidency Minister	Nander Pitty Velasquez
Government and Justice Minister	Rodolfo Chiari
Finance Minister	Hector Alexander
Planning Minister	Ricaurte Vasquez

These file ministers were confirmed in their posts. The new ministers will be the following (with the names of those they will replace in parenthesis):

Labor Minister	Jose Reyes (Carlos de Sedas)
Housing Minister	Adsinar Cajar (Roberto Velasquez)
Commerce Minister	Onassis Garcia (Bernardo Cardenas)
Public Works Minister	Sergio Quiros (Efrain Zanetti)
Agricultural Development	Darinel Espino (Bruno Garisto)
Education Minister	Humberto Ricord (Manuel Solis)

The new cabinet originated in a crisis within the Democratic Revolutionary Party (PRD), which asked President Delvalle to reshuffle the cabinet, leading to reports that Delvalle would resign.

Delvalle said that he would put the changes into effect in due time and will now announce them. From a political standpoint, the cabinet will now be composed of six ministers from the PRD: housing, health, agricutural development, presidency, foreign affairs, and finance; two ministers from the Labor Party: labor and public works; a minister from the Liberal party: government and justice; a minister from the Repbulican Party: commerce; one from the budding Popular Nationalist Party: education; and an independent minister: planning. Delvalle belongs to the Republican Party.

There will be other changes: Roberto Montanez of the PRD will replace Deputy Foreign Minister Jose Maria Cabrera; Jose Ritter of the PRD will replace David Samudio of the Liberal Party as Panamanian ambassador to the United Nations; and Leonardo Kam of the PRD will replace Roberto Leyton, of the same party, as ambassador to the OAS. Leyton will become ambassador to Washington, replacing Kaiser Bazan, who will be dismissed. There will be other charges in autonomous and semi-autonomous agencies.

IADB MEMBERS VISIT PANAMA, MEET WITH NORIEGA

PA030017 Panama City Television Service in Spanish 1530 GMT 2 Nov 86

[Text] The Inter-American Defense Board (IADB) carried out important work activities in Panama during the last leg of a tour that already included Haiti, the Dominican Republic, Venezuela, and Colombia. On Sunday night, the Board members held a reception in honor of the National Defense Forces. The event was held at (El Sereni) and was attended by members of the General Staff and high-ranking officers. Colonel Roberto Diaz Herrera attended the event given by the board. He was accompanied by Colonel Elias Castillo and Colonel Leonidas Macias.

On Monday, the IADB was invited to visit the 2,000 Battalion command. Major Aquilino Sieiro and his staff spoke of the battalion's defense and security mission. On Monday night, the IADB were invited to a reception at the Presidential Palace. The reception was held in the Yellow Room, where the president and members of the cabinet and the IADB conversed. The commander in chief of the National Defense Forces and members of his General Staff were also present.

On Tuesday morning, all members of the IADB, headquartered in Washington, D.C., visited General Omar Torrijos Herrera's mausoleum, where they placed a wreath and honored the memory of the Panamanian military leader. The IADB is comprised of 60 generals and high-ranking officers from Argentina, Brazil, Bolivia, Colombia, Ecuador, United States, Guatemala, Haiti, Mexico, Panama, Paraguay, Peru, Uruguay, Venezuela, and Chile.

Following their visit to the mausoleum, members of the IADB met with General Noriega. In an open, direct, and sincere dialogue, General Noriega spoke to them of the socioeconomic, military, and political situation of Panama and America. Following the meeting, the guests flew to Washington, D.C.

UNO LEADER DENIES CONTRA TRAINING IN PANAMA

PA311730 Panama City ACAN in Spanish 0412 GMT 31 Oct 86

[Text] Panama City, 30 Oct (ACAN-EFE) -- Alvaro Altamirano, the leader of the anti-Sandinist Nicaraguan Opposition Unity (UNO) "emphatically" denied today that "counterrevolutionary" forces are being trained in Panama.

Alvaro Altamirano told ACAN-EFE that UNO denies the assertion made by Panamanian legislator Luis Navas, who said that Panamanian territory is being used to train anti-Sandinist rebel forces. Altamirano stressed: "We absolutely deny that there is, has been, or will be any counterrevolutionary training in Panama, because we respect the sovereignty of the Panamanian people."

The UNO leader, who lives here in exile, said that from the outset the Sandinist Government has spread the rumor that "contra" training was going to be carried out in Honduras, El Salvador, and Panama. They also recently added Puerto Rico. Alvaro Altamirano pointed out: "The Managua government's version is illogical, because our combatants train as they fight, and they fight in Nicaraguan territory."

DELEGATE ADDRESSES UNGA COMMISSION ON DRUGS

PA030400 [Editorial report] Panama City LA REPUBLICA in Spanish in its 2 November issue publishes on page 5-D a 3,000 word speech delivered to the Third Commission of the UN General Assembly on 31 October by Major Nivaldo Madrinan, director of Panama's National Department of Investigations and member of the Panamanian delegation to the UN General Assembly, on the subject of the "international campaign against drug trafficking."

Quoting Panamanian President Eric Delvalle's recent speech to the UN General Assembly stressing the need to stamp out drug trafficking, Madrinan notes that "the drug problem must strengthen the unity of men and consequently of nations," and states that, in this regard, no country must "see the mote in another's eye and not see the beam in its own eye."

Madrinan notes that Panama "has received with great interest the draft of the Un-sponsored convention against the illegal trafficking of narcotics and hallucinogenic substances." He says Panama hopes this instrument will be universally accepted and enforced.

Citing other international meetings on the subject, Madrinan focuses on the recent meeting of American attorneys general in Mexico, hailing its results and the possibility it opens for cooperation on this matter. He then offers Panama as the site of a new meeting to follow up on its conclusions. He states that Panama has been greatly affected by this criminal traffic because of its geographic position, and outlines steps being taken by government agencies and private organizations against this scourge.

Madrinan then reports that Panama is taking steps to update its legislation against drugs and that a bill has been submitted to the legislative assembly that, among other features, includes mechanisms for international cooperation, such as a "special procedure for extradition for crimes connected with drugs," heavier penalties for crimes of this nature, and "specific regulations regarding the handling of banking information subject to confidentiality" to facilitate the solution of crimes of this nature at an international level.

Finally, Madrinan stresses Panama's unflinching determination to continue to redouble efforts in the fight against the narcotics trade and offers its cooperation to the international community to achieve this end.

BRIEFS

SUPREME COURT JUSTICE -- Justice Alvaro Cedeno Barahona has been appointed to the Supreme Court of Justice. [Summary] [By Jose Quintero De Leon] [Panama City LA PRENSA in Spanish 2 Nov 86 p 1-A, PA]

COSTA RICA

ARIAS POSTPONES MEXICO VISIT, TO VISIT U.S.

PA021539 San Jose Radio Reloj in Spanish 1330 GMT 2 Nov 86

[Text] President Oscar Arias will not travel to Mexico in mid-December as planned in response to an invitation extended by Mexican President Miguel de la Madrid.

During talks that Foreign Minister Rodrigo Madrigal Nieto held in Mexico City this week, it was decided the president's visit would be postponed, at least for the rest of this year. One of the main reasons for the postponement is that the Mexican president will return from a tour of several Asian countries in mid-December, which means he would not be present to receive the Costa Rican president. Although an agreement has been reached on postponing the visit, a new definitive date for it has not been set.

The postponement of President Arias' visit to Mexico from December to February is in no way related to the president's visit to Washington later this month. This was confirmed by Foreign Minister Madrigal this morning. He said there is no relationship between the two visits; the president's trip to Mexico was postponed because the Mexican president will be returning from Aisa around that time.

NICARAGUAN ENVOY DENIES SABOTAGE PLAN LINKS

PA310339 San Jose Radio Reloj in Spanish 0100 GMT 31 Dec 86

[Text] The Nicaraguan ambassador has denied any connection between Nicaragua and the plans to sabotage generating plants.

Ambassador Claudia Chamorro denied any links between the Nicaragua Government and the possible wave of sabotage announced by the security minister. The diplomat remarked the Nicaraguan Government and people have no interest in meddling in Costa Rica's internal affairs. She recalled recent statements by officials that Costa Ricans are being trained in Managua for destabilization purposes and rejected such statements.

Ambassador Chamorro recalled many Costa Ricans have gone to fight in Nicaragua since the era of Juan Santamaria [Costa Rican who died in battle against William Walker in Nicaragua] and that the same thing happened in the war against Somoza and Chamorro. She did not rule out the possibility that Costa Ricans have gone to Nicaragua in these past few years to fight against U.S. aggression.

The diplomat reiterated that the recent statements jeopardize relations between the two countries and even the personal safety of diplomats accredited to Costa Rica. She condemned in advance any terrorist actions that may be carried out in our country.

ARIAS APPOINTS PANIAGUA GOVERNMENT MINISTER

PA311630 San Jose Radio Reloj in Spanish 1200 GMT 31 Oct 86

[Text] President Oscar Arias has announced the appointment of Rolando Ramirez Paniagua as new government minister. Ramirez Paniagua, a former deputy comptroller general and former National Bank manager, will take over his post on 15 November.

He is currently the vice president of the (SAMA) group [not further identified]. Deputy Government Minister Alvaro Ramos will serve as acting minister, as Minister Guido Fernandez Saborio will leave his post today.

President Oscar Arias feels Rolando Ramirez Paniagua will guarantee the continuation of the work begun by Guido Fernandez Saborio in the Government Ministry. The president acknowledged the excellent work done by Fernandez Saborio who will be Costa Rica's ambassador to Washington as of 15 November. Due to this change, someone had to be appointed to replace him, someone who could guarantee honesty and the defense of the national interests. Arias is convinced nothing will change in the Government Ministry as the same programs will be followed.

Rolando Ramirez said he will honor the trust displayed by President Arias in appointing him minister, and will seek to improve the ministry's efficiency. He will also strive to uphold the values of Costa Rican society, with the cooperation of Deputy Minister Ramos and the remainder of the staff.

Ramirez thanked the president for his appointment, and admitted he was fully aware of the delicate and responsible task he faced.

HONDURAS

AZCONA CONFIRMS AID INCLUDES U.S. AIRCRAFT

PY010012 Paris AFP in Spanish 2317 GMT 31 Oct 86

[Text] Tegucigalpa, 31 Oct (AFP) -- President Jose Azcona has confirmed the United States will hand over fighter planes to Honduras within the framework of the military assistance between the two countries.

U.S. officials have repeatedly stressed the Reagan administration's commitment to give sufficient assistance to Honduras to maintain its air superiority in the region. Azcona stated that "there is U.S. military aid to the Honduran Armed Forces, and the delivery of some aircraft is included in that aid."

The U.S. State Department today reported that Honduras intends to acquire U.S.-made F-5A, F-5B, F-5E fighter-bombers or the Israeli Kfir, to replace the 12 obsolete aircraft.

In this regard, President Azcona today stated "Honduras does not intend to buy planes from Israel, but that with the help of the United States this is a possibility." However, he stated, the selection of the aircraft "depends on the Honduran Air Force."

Negotiations to modernize the Air Force began several months ago and continue at the highest level of the Armed Forces of both countries, an official source told AFP.

AZCONA VIEWS SUPPORT FOR MOTION TO EXPEL CONTRAS

PA312119 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 31 Oct 86

[Interview with Honduran President Jose Azcona Hoyo by reporter Javier Gavino Villalobos on 30 October; place not given -- recorded]

[Text] [Villalobos] Is it true you met with the National Security Council?

[Azcona] No. Yesterday, I was with the president of the Supreme Court; Rafael Leonardo Callejas, president of the National Congress; and some... [changes thought] the commander in chief of the Armed Forces with whom we discussed Honduran foreign policy and similar topics. The meeting was not a meeting to discuss the proposal of deputy Nicolas Torres.

[Villalobos] Mr President, what is your opinion of Torres' proposal?

[Azcona] I respect everyone's opinion. Torres, as a people's representative, has the right to present as many proposals as he likes, but I do not think he is going to receive the support of the National Congress because, although admittedly his intentions may be good, I do not believe this is the best for Honduran foreign policy at these moment.

[Villalobos] Mr President, Radio America would like to know...

[Azcona, interrupting] I don't wish to make any more comments.

[Villalobos] Mr President, it is precisely the topic of the contras that everyone wants to know about.

[Azcona] No comment.

Lopez on Contra Presence

PA312243 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 31 Oct 86

[Interview with Honduran Foreign Minister Carlos Lopez Contreras by reporter Julio Armando Valdes at the Honduran Presidential Palace on 30 October -- recorded; first question is introduced by the announcer]

[Text] Answering a question as to whether the government will continue denying the contra presence in Honduras, Foreign Minister Lopez Contreras said:

[Lopez Contreras] I think there is a little bit of confusion regarding this issue. I think... [corrects himself] I am sure President Azcona has repeatedly told you and several international organizations that the counterrevolution enters and leaves Honduran territory in an unauthorized way, but this does not mean this action is accepted or authorized by our government. This is simply a phenomenon which presents several alternatives. You are aware of the fact Honduras is a very big country, and yet the military security apparatus is very small. Thus, if the majority of the Honduran people prefer to have our security forces transferred to benefit another country, that is to say, to protect the Nicaraguan Government's border at the expense of security in Tegucigalpa, San Pedro Sula, La Ceiba, etc., they can express that wish if they want to.

[Valdes] Foreign Minister Contreras, in the last interview with you or in the one before the last one, you told us the contra presence in the eastern part of the country was being investigated. Coffee producers in that area told us you have not visited that area, and they mentioned your name specifically.

[Lopez Contreras] I am glad to know they remember me, but the truth is the Foreign Ministry is not supposed to conduct surveys or assess the situation at the site of the problem, let alone coffee problems. However, I know investigations are underway. I do not know when the government is going to release that information, though. I also know the authorities have been in touch with those who are said to be affected by the actions of the Sandinists and by the actions that could take place near the border.

[Valdes] There have been injuries and attacks against buses at the border in Paraiso Department. What has the Foreign Ministry done?

[Lopez Contreras] Look, evidently Honduras and its Armed Forces must guarantee the population's security. A number of values must be protected. One of them is this country's peace. The government clearly understands it should not promote or foster a warmongering climate in the country. The government's policy aims at avoiding the generation of a warmongering climate which could get out of control and lead to a confrontation with Nicaragua.

[Valdes] Have these acts against territorial integrity and the people been reported to competent organizations?

[Lopez Contreras] Protests are always filed with the Nicaraguan Government whenever incidents occur and messages are sent to international organizations informed on these matters. In this way, we set forth the disapproval of the Honduran Government regarding this type of incident. They are now always published precisely to avoid creating a warmongering stance in the public. [end recording]

AZCONA CRITICIZES NICARAGUA, SUPPORTS CONTADORA

PA021750 Madrid EFE in Spanish 1530 GMT 2 Nov 86

[Text] Tegucigalpa, 2 Nov (EFE) -- President Jose Azcona Hoyo said today the Nicaraguan Government has placed obstacles in the way of the Contadora Group's efforts. The chief of state said the efforts made by the group will yield fruits once Nicaragua eliminates the obstacles created by the improper use of the International Court of Justice and the promotion of actions against Costa Rica and Honduras.

Azcona added: "The Central American conflicts will be resolved when all the parties participate in good faith and with true interest."

The Honduran president told the media his country will fully back the Contadora Group (Mexico, Colombia, Venezuela, and Panama), which is now virtually inactive.

Referring to Honduras' domestic situation, the president said it is very important to uphold the republican principle of independence and nonintervention of one branch of the state in the affairs of another branch.

However, he noted this principle "is not absolute because the state is one entity and there must be an interrelationship among the branches in the search for common goals such as the institutional, economic, and social strengthening of Honduras, the objective of this is the general benefit of the Honduran people."

Lopez Protests Nicaraguan Suit

PA312155 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 31 Oct 86

[Text] The Honduran Government has said it will not participate in new Contadora Group meetings as long as Nicaragua insists on suing Honduras at the International Court of Justice [ICJ]. Nicaragua accused Honduras in July of allowing the use of its territory for counterrevolutionary aggression.

Honduran Foreign Minister Carlos Lopez Contreras maintained the Nicaraguan suit is incompatible with multilateral peace efforts. According to Lopez Contreras, the ICJ's intervention could hinder Contadora Group efforts.

NICARAGUA

ORTEGA ADDRESSES SANDINIST YOUTH MOVEMENT

PA012030 Managua Domestic Service in Spanish 1758 GMT 1 Nov 86

[Speech by Nicaraguan President Daniel Ortega during the first meeting of the Nicaraguan northern region 19 July Sandinist Youth Movement, at Jinotega Stadium in Jinotega -- live]

[Text] Youths from the Nicaraguan combatant and heroic north: Today, 1 November, in commemoration of the occasion of the 25th anniversary of the FSLN and the 10th anniversary of the death in combat of our brother, Carlos Fonseca, Nicaragua is experiencing an explosion of happiness. It is an explosion of organized happiness, an explosion of combatant happiness, an explosion of happiness whose focal point is our youth; a happiness that has our youth as its soul, heart, and nerve. This explosion of happiness is in accord with the situation our country is enduring. We are fighting and confronting the imperialist aggression with happiness and optimism. The mixture of sorrow, sacrifice, and tears is fully covered by our people's determination, our people's hope. A hope for a peaceful future for our youth, for our people to use all their energy in production and education and to improve themselves culturally.

Today, within this mixture of sorrow, sacrifice, tears, explosion of joy and happiness, this meeting of the youths of the northern Nicaraguan region is being held. Here in Jinotega, and while marching down the streets, the youths have expressed their willingness to fight and have ratified their Sandinist principles.

We have the bodies of three members of our Army in three different locations. These three gave their lives, just as Carlos gave his life 10 years ago. But just like Carlos, they are here with us today. Those who die fighting and those who give their lives in the defense of just causes become immortal and are born again in the people. They can never die and they can never be erased from our minds. Their example remains and it is expressed in the fighting spirit of new generations.

Before coming here, we also visited the hospital. We visited our companeros who were wounded days or weeks ago. They were wounded in combat. We also visited civilians who are at the hospital. Not only soldiers but also civilians get hurt nowadays, victims of the mines the U.S. Government sends down to explode on our roads and murder our people. We talked to them, and it really hurts to speak to youths and old people who have lost arms or legs because of the mines being sent by the U.S. President.

But amid this situation, amid the hard and difficult situations that put man's spirit of sacrifice and determination to a test, we see the explosions of joy and happiness. We see the determination to continue fighting, struggling, and defending this revolution.

This revolution is being defended on a daily basis. It is defended with rifles, with the production tasks carried out in the rural areas, with the production tasks in the factories, but above all, this revolution is being defended in the military trenches. We have economic and military trenches. All we do is in defense of our homeland. However, the frontlines are the military trenches.

We are gathered here and I would say we are quite comfortable, very comfortable. I would say this is a luxurious situation even if we are getting wet, even if we began to mobilize and gather at this plaza hours ago. This is a truly comfortable situation when we compare it to the situation experienced by the other brothers who are on the frontlines in the northern, southern, and other areas of our country; the companeros have been fignting these past few days, from 24 through 29 October; 5 days of intense combat against the main body of the mercenary groups stationed in Honduran territory that have tried to enter our territory, 5 days of uninterrupted combat. Our brothers who form the Juan Pablo Umanzor, Ramon Raudales, Eduardo Contreras, and Laureano Mairena battalions for unconventional warfare are fighting firmly and holding back the attack of the mercenary forces' main body that is concentrated in that area [not further specified] in an attempt to enter our territory.

What is the result of the fighting up to this moment? We have had 37 casualties; 16 companeros have been wounded and 21 have died. There are other companeros who have been wounded only slightly. Sixteen of these companeros needed medical attention. We also had 21 companeros who died in combat. How many casualties have the mercenary forces suffered? They have 80 dead and 120 wounded.

What does this indicate? That the mercenary forces have not been able to pass and will never pass. [applause]

This is the largest struggle our country is waging. It is being imposed on us by the imperialist aggression. The United States is totally ignoring international organizations; it is not obeying the ICJ rulings. We have appealed to the UN Security Council, and 11 of its 15 members voted in favor of the resolution presented by the Nonaligned Movement. That resolution calls on the United States to obey [words indistinct]

Three countries abstained. That is, there were 11 votes in favor, 3 abstentions, and the U.S. veto. The United States has the veto privilege at the Security Council and the resolution was, therefore, killed.

However, the resolution received 11 votes in favor. A minimum of nine were required to take the issue to the General Assembly, where all the countries are represented, to present the matter for voting by all countries. Since 11 votes were secured, Nicaragua introduced the issue to the General Assembly so all the countries of the world represented at the United Nations may speak up against or for the ICJ ruling -- in favor of the U.S. government obeying this ruling, or against the ICJ ruling. This matter will be debated during the next few days at the United Nations. The U.S. Government is exerting many efforts to prevent the debate. It has been exerting pressure on many countries.

We have to point out statements that have been made by countries that participated in the debates at the Security Council, statements that were made by nonaligned countries such as India and Yugoslavia, among others. We also have to point out the courageous attitude of Latin American countries such as Mexico, Argentina, Peru, and Venezuela, which were clear in demanding the United States obey the ICJ ruling. This is a Latin American position. This is a coherent and firm position, and it was adopted despite pressure, blackmail, and threats from the U.S. Government.

The United States and its ally, the United Kingdom -- the Government of the United Kingdom, that is, because the British people undoubtedly do not agree with the [word indistinct] policy of their government -- are distinguishing themselves by their adoption of arbitrary and illegal positions that directly attack the Latin American countries and peoples.

Recently, the United Kingdom of England [as heard], the government of the United Kingdom -- which is nothing but a thief trying to seize the Argentine territory of Malvinas -- that thief, that criminal, has said that in a 150 km area around the Malvinas Islands -- 150 miles rather -- no activity can be carried out, be it fishing or economic activities. That is to say, ships from other countries cannot operate there because the United Kingdom, Great Britain, which has already stolen the territory of the Malvinas -- which the UK is maintaining under military occupation -- from Argentina and Latin America,now has decided to steal from Argentina and Latin America part of the sea that belongs to that people.

What is our position on this? Are we going to support the Argentine government and people, or are we going to support the British Government? We have already stated our firm support to the Argentine people and government at this moment when the imperialist policy of the British Government is being confronted.

We can tell the young people of Argentina that, just as they have come to Nicaragua -- to this northern region to pick coffee side-by-side with our young people -- the young people of Nicaragua are also prepared to go over there, to struggle at the side of the Argentine people to defend the territory of Argentina and of Latin America. [applause]

We have heard a report from the young people of northern Nicaragua. We have noted their disposition to continue working on tasks related to defense, production, social work, medical work, and technical work; and we believe it is especially important to consider what the report explains.

Sandinist Youth militants cannot be militants of the Sandinist Youth only. The Sandinist Youth is no [word indistinct]. The Sandinist Youth are the organized representatives of all young Nicaraguans, of the young people in the countryside, in the factories, in school, in combat. Therefore, the work of Sandinist Youth militants cannot be limited. It is as broad and extensive as our country because the Sandinist Youth has to be wherever young people are in the countryside, in the cities, in the mountains, in neighborhoods, in villages, in schools.

It has to be there, breathing with all the young people of Nicaragua, mobilizing all the young people of Nicaragua, fulfilling assigned tasks, and acting in a reliable fashion. Here we have the first groups of that source of power. They include young people from various places and areas of this region.

They include young people who have come down from the mountains to attend this meeting, which is part of the commemoration of the 25th anniversary of the FSLN and the 10th anniversary of the fall in combat of our brother Carlos Fonseca. We are sure, we are convinced that you will know how to comply with all those tasks. Today, the mothers of our heroes and of our martyrs are here accompanying us, as always. They are companeras who, despite their age, are also a part of the Nicaraguan youths. Whoever has spirit in this country, whoever has the strength of these mountains, whoever has a Sandinist consciousness, even if he is 90 or 100 years old, is young and will remain young, and thus, these mothers are part of these youths. [applause] [people shout: "For those killed, our people!"]

This has been a very beautiful ceremony, different than the ceremonies in Managua -- which like Leon and Chinandega is in the sunny region. Here, we have natural air conditioning. Here, before these youths meeting here, I would like to ask a question -- this is a serious question and the answer should be serious. Those who respond in the affirmative are truly committing themselves. I would like to ask all, including the companeros who are being withdrawn from the military service, I would like to ask: In view of this situation of confrontation -- which we did not seek; it is the U.S. Government that sought it -- in view of the mercenary forces' attacks in trying to penetrate our territory, and the U.S. military advisers or CIA agents who have been sent to fly planes transporting death to our country; in view of this situation of aggression; in view of the danger of invasion, how many of you are sincerely ready to take up arms? [shouts, applause]

As I was telling you, the question is a very serious question, and the answer has to be very serious because there is too much blood being shed. Our answer cannot be superficial. Therefore, I want to ask again: Who is truly determined to take up the rifles right now if it became necessary.

[Announcer] Determination is seen in our people firmly responding yes to the call by our companero president, to the call of the fatherland to defend the revolutionary fatherland. Our people are chanting: Here and there; the Yankee will die; Our heroic people meeting here in Jinotega. [crowd chants slogans]

We are also forced to attend to other tasks, productive tasks. Which is the main productive task we have in this area? [people shout: "Coffee"] Coffee. Let us find out if this is true. First question: Of all who are present here today, how many picked coffee last year?

[Announcer] Most of the hands have been raised.

How many are willing to pick coffee this year? [people shout and whistle]

[Announcer] Many more hands are up.

This means we will have more pickers available this year. [applause, people shouting slogans] Efforts are being made to organize better the picking of coffee. We have learned much about this in the past few years and according to the estimates, this year we may be able to pick more coffee with less pickers. I will not mention numbers yet; we have some, but I will not mention them. We are trying to get pickers from the area. Pickers from the area usually pick faster. Later, the brigades formed in the rearguard that are always ready to move at a minute's notice will go in to pick coffee. We are also organizing a 3,000 strong pickers brigade, the 25th Anniversary Brigade, formed by a group of the best coffee pickers among the volunteers.

This brigade is going to be ready to pick coffee any place in the northern area, even the areas where the mercenary forces commit their terrorist actions. This will be a brigade that will not only come in with baskets, but also with rifles.

We hope that with the effort and willingness of the peasants, students, and youths of this region, Region 6, we will be able to pick 650,000 quintals. This is a challenge. Last year, we picked approximately 500,000 quintals; this year we will try to pick 100,000 quintals [as heard] more. A total of 650,000 quintals. This is a task in which national efforts must be involved, and Region 6 is part of this task.

Do you think we will pick the 650,000 quintals? Will we pick more than 650,000 quintals? That is truly a challenge. Will we pick more than 650,000 quintals? [people shout: "Yes!"] Of course we can pick more than 650,000 quintals. Yes, we can do it and we are going to put forth our best efforts to do it. [applause and slogans]

At this meeting, at this event here in Jinotega, we must mention and recall a distinguished FSLN combatant. Who am I referring to? German Pomares. He came here to irrigate the mountains of Jinotega with his blood. He came here and gave the greatest example of determination to fight and sacrifice in these Jinotega Mountains. He mixed his sweat with the rain and the waters of the rivers; he mixed his spirit and heart with the spirit and the hearts of the people of Jinotega. German Pomares, who died fighting here in Jinotega to defend Nicaragua, reminds us that the youths of northern Nicaragua, the Jinotega and Matagalpa youths, must follow his example, must be consistent, must involve themselves in the military and productive struggle, and must involve their spirit and hearts to the unyielding spirit and heart of German Pomares Ordonez.

Free Fatherland... [people shout: "Or death," applause]

ORTEGA BRANDS RIGHT, EXTREME LEFT AS U.S. TOOLS

PA311428 Managua Domestic Service in Spanish 0300 GMT 31 Oct 86

[Text] Nicaraguan President Daniel Ortega has described the ideological struggle as the best weapons for neutralizing both the rightist and extreme leftist elements and trends that threaten the productive organization of the workers. In a meeting with representatives of the economic brigades [brigadas economicas], Commander of the Revolution Daniel Ortega criticized the counterrevolutionary position of some sectors that call themselves revolutionary. Let us listen to part of the remarks of President Daniel Ortega:

[Begin recording] The work that imperialism can carry out through the rightist unions -- because there are also rightist unions [words indistinct] and perhaps some people receive CIA money. we cannot stop thinking that in the leadership of the CAUS [Central Organization of Trade Union Action and Unity], the FO [Workers Front], the (?SCAAS) [Union of Carpenters, Masons, Joiners, and Related Workers], and the PRT [Revolutionary Workers Party] there are people who are receiving CIA money. Why should we rule this out if even in the Interior Ministry we have found individuals (?who were officials) and who were CIA agents? The CIA works everywhere. If the CIA is able to infiltrate such a sensitive organization as the Interior Ministry, how could it not infiltrate these unions which call themselves revolutionary and Marxist?

There are probably people in them receiving CIA money, carrying out counterrevolutionary work, sowing confusion among the workers, trying to [words indistinct]. How is it possible that they have thought of promoting a stoppage, a strike? What kind of example is this from people who call themselves Marxist, revolutionary, Marxist-Leninist? What kind of example is this to the companeros [words indistinct] the doctors, the nurses, and the workers who are enduring [words indistinct], working 7 days, treating the women, children, and workers? What kind [words indistinct] counterrevolutionary agents? What for? So the people will not advance [words indistinct] because the people are the ones being harmed, because the Karl Marx Hospital is not there to serve the rich or the millionaires. It is there to serve the people. The work in the Karl Marx Hospital is delayed because those people are promoting a strike. What are they doing? They are harming the working people because there will be delays in providing better conditions in that hospital so the internationalist companeros of the (?GDR) will give better service.

Therefore, we are struggling against the extreme leftist trends where the hand of the CIA must be involved, giving money, and against the rightist trends which are (?overt) instruments of the CIA. [end recording]

ATTORNEY GENERAL REVEALS HASENFUS CASE DOCUMENTS

PA311604 Managua BARRICADA in Spanish 30 Oct 86 p 4

[Unattributed article: "U.S. Government Compromised"]

[Excerpts] Avalanche of Evidence Against Hasenfus [subhead]

The presentation of evidence in the historical trial against U.S. military adviser Eugene Hasenfus began yesterday with the attorney general's presentation of 130 documents, several of which compromise the Reagan administration.

Among these documents, two were found in the belongings of pilot William J. Cooper from the plane downed on 5 October. These two documents are business cards belonging to P.J. Buechler and Robert W. Owen, both of whom are involved in the channeling of U.S. funds to the counterrevolutionaries.

Buechler is the operations coordinator of the "humanitarian" assistance office created by the U.S. Government to send supplies to the contras.

Owen is the link between the White House's National Security Council and the counterrevolutionaries. He has close ties with former Colonel Audenoit, who was the leader of the "humanitarian" assistance office, and with former General John Singlaub, leader of an international anti-communist organization. This organization is one of the main supply channels for the Somozist groups. [passage omitted]

FDN [Nicaraguan Democratic Forces] Pilots [subhead]

Another document contains a list that "includes names of FDN pilots." The following are their names: Juan M. Gomez Aviles V-86, Arledo Arana Garcia Q-40, Guillermo Gomez Perez B-38, Oscar F. Aragon M-97, Manuel T. Mairena Rivas Y-63, Frank X. Standhagen H-17, Arnoldo A. Blanco D-03, Ernesto Santillana M. S-51, Gustavo A. Quesada A. Z-94, Juan M. Gomez Perez F-65, Yamil Frech Miranda K-21, Alfonso Pineda U. N-19, and Pedro Guillen M. L-10. [identification numbers not further clarified]

To that effect, he is free of pressure, coercion, cajolery, threats, and intimidation. He has not been formally sworn in. Also appearing is (Susan Griffin Vado) as interpreter, who is of legal age, single, interpreter, residing here, appointed by this authority. To this effect, she has been offically sworn in after being warned of the penalties for false testimony in criminal cases. She states she is impartial and promises to tell the truth according to her best knowledge and understanding. Also appearing is Mr (Jose Perez Firmat) as interpreter, of legal age, married, translator and journalist residing here, appointed by the defense and accepted by this tribunal. To this effect, he has been officially sworn in after being warned of the penalties for false testimony in criminal cases. He states that he will be impartial and promises to tell the truth according to his best knowledge and understanding.

Asked by the president of the tribunal if he would make his statement through or by means of the interpreters, the defendant replied: I do not wish to testify now. I do not wish to testify as yet.

We hereby read, ratify, and sign this record.

At this time, we will proceed to make an addendum to the record because we must include the agreement reached by the interpreters on the translation of the defendant's remarks.

Wife Hands Over 'Instructions'

PA011230 Managua Domestic Service in Spanish 0300 GMT 1 Nov 86

[Text] U.S. military adviser Eugene Hasenfus today refused to testify before the Anti-Somozist People's Tribunals [TPA] after his wife Sally handed him a small paper containing instructions.

In view of this incident that violated the law, Dr Reynaldo Monterrey, president of the trial court, reprimanded [Defense Attorney] Dr Sotelo Borgen.

Hasenfus was summoned to testify before the TPA. The prosecution and the defense can only speak to the accused through the magistrate in charge. The court president himself called the attention of the sides involved in the trial, because he considered certain situations to be irregular according to the law.

The prisoner had agreed to testify but refused to do so after his wife discreetly handed him a message.

Hasenfus Confirms Statement

PA021906 Managua Domestic Service in Spanish 1745 GMT 2 Nov 86

[Text] This morning, the U.S. mercenary Eugene Hasenfus was taken to the Anti-Somozist People's Tribunals [TPA]. Hasenfus was in the downed plane being used to supply weapons to the contras. Noel Fuentes reports on Hasenfus' appearance this morning at the tribunals.

[Begin Fuentes recording] This morning at the TPA, the accused U.S. citizen, Eugene Hasenfus, identified as his the declaration made at the state security offices, and also confirmed the signature on the declaration is his.

Hasenfus provided information about the CIA and the downed plane. In this regard, he said Bill Cooper, the pilot of the downed plane, had told him that Max Gomez -- one of the officials connected with the supplies for the mercenary forces operating in Nicaraguan territory, whose supply center is based in El Salvador -- had told Bill Cooper it was [words indistinct] that is, was [words indistinct] of U.S. Vice President George Bush. This is the information we have on Eugene Hasenfus' appearance at the TPA tribunal this morning.

Hasenfus has now been taken back, and the tribunal is closed for the moment. It is expected work will continue on this interesting case which has created a state of suspense at both the local and international levels.

Defense Attorney Enrique Sotelo Borgen said one of the tenets of his defense is to prove Hasenfus is not a [words indistinct] member. Clarifying the charges made by the Nicaraguan Government against this mercenary, Dr Rodrigo Reyes noted Hasenfus was not being tried because he is a member of the CIA, but because the country's laws have been broken. In this case [words indistinct] to prove the [words indistinct] of the plane that was transporting weapons and military supplies for the mercenary forces supported by the U.S. Government. [end recording]

Attorneys View Hasenfus Trial

PA311823 Managua Domestic Service in Spanish 1619 GMT 31 Oct 86

[Report by Bernardino Rodriguez at the Anti-Somozist People's Tribunal in Managua -- live]

[Text] Voz de Nicaragua, the voice of the people, has brought you the details of today's session [of the Eugene Hasenfus trial]. We have with us Dr Enrique Sotelo Borgen [Hasenfus' attorney]. Dr Sotelo Borgen, what do you think of today's session?

[Sotelo] It had its positive aspects. It was very important. I think the defense tried to carry out its strategy in favor of the defendant. The prosecution also tried to carry out its strategy. I think the judge was impartial. I think the prosecution acted too forcefully [violenta] and was too hasty, something that is not correct at this point. But we will see the future results, which will be made known to the gentlemen of the press so that they can do their job.

[Rodriguez] We have here the justice minister [Rodrigo Reyes].

[Unidentified reporter] When will the [words indistinct] finish?

[Reyes] Ask the tribunal.

[Reporter] More than 1 week?

[Reyes] Please, ask the tribunal.

[Rodriguez] What do you think of today's session?

[Reyes] I do not think the positions of the defense and the tribunal have been helpful to the defendant because even though the defendant, the defense, and the prosecution were present, they are proposing delays for the presentation of evidence.

In other words, evidence that we could have presented in 5, 6, 7, or 8 days, now might take 16 days to present. If this man is innocent, we are simply keeping him in jail longer than necessary.

[Rodriguez] How do you view Hasenfus' refusal to testify today?

[Reyes] That was also a maneuver by the lawyer and journalist Jose Perez, Hasenfus' interpreter. It is clear they passed a slip of paper to Hasenfus. Those actions work against the accused. Why? Because, instead of testifying today, he will testify tomorrow or the day after tomorrow. This causes delays in the trial.

[Indistinct question from unidentified reporter]

[Reyes] The tribunal already indicated how the evidence will be presented.

[Rodriguez] This has been a Voz de Nicaragua report from the Anti-Somozist People's Tribunal. At this time, Eugene Hasenfus is being taken out of the courtroom to the location where he is being held within the National Penitentiary System.

OPPOSITION PROPOSES POW-HASENFUS EXCHANGE

PA021818 Panama City ACAN in Spanish 1727 GMT 2 Nov 86

[Text] Guatemala City, 2 Nov. (ACAN-EFE) -- The rebel Nicaraguan Opposition Unity (UNO) has proposed to the Managua government that 20 "prisoners of war" be exchanged for U.S. pilot Eugene Hasenfus, "contra" sources reported in this capital.

A UNO political group that operates in Guatemala sent a telex to the media stating the exchange proposal was made to the Nicaraguan Government yesterday at 1745 local time.

The [Guatemalan] daily PRENSA LIBRE, which published the document, said "there has been no reply from the Sandinist government." The "anti-Sandinists" stated Hasenfus and Amador (the complete name was not revealed) [as received] are both pilots of the UNO forces currently fighting in northern and southern Nicaragua.

Hasenfus was captured by Sandinist soldiers last 6 October, the day after a plane transporting weapons and supplies for the "contras" was shot down in southeast Nicaragua. In its statement, UNO said Hasenfus is facing trial for collaborating with the anti-Sandinists "but has refused to testify." The Nicaraguan rebel organization added "the tribunal is prejudiced against Hasenfus" and has already "condemned him."

Hasenfus, who has declared that he works for the CIA, is being tried by the Anti-Somozist People's Tribunals in Managua for violating the Law on Public Order and Security.

UNO leader Adolfo Calero is currently in Miami where he will meet with other leaders to "coordinate the exchange," as there are currently 80 Sandinist prisoners in their power, according to the communique sent to the media.

JINOTEGA HELICOPTER CRASH KILLS 21 SOLDIERS

PA010227 Panama City ACAN in Spanish 0200 GMT 1 Nov 86

[Text] Managua, 31 Oct, (ACAN-EFE) -- A total of 21 Sandinist soldiers were killed in a Soviet helicopter that crashed in the mountains of northern Nicaragua yesterday, the Defense Ministry reported tonight.

The MI-17 helicopter plunged to the ground at 1700 local time yesterday in an area called Wamblan, bordering Honduras, because of adverse weather conditions, the source added.

The pilot, Fabricio Jose Aguilar Quintanilla, and soldier Jose Tomas Reyes survived the accident.

The helicopter was on a routine mission in northern Jinotega Department, the source said.

FDN Claims Helicopter Downing

PA311806 Panama City ACAN in Spanish 1726 GMT 31 October 86

[Text] Tegucigalpa, 31 Oct (ACAN-EFE) -- The rebel FDN claimed credit here today for downing an MI-17 helicopter of the Sandinist Air Force [FAS], reporting that 16 militarymen, including soldiers and officers, were killed in the action.

The aircraft, according to FDN Commander Enrique Bermudez Varela, was downed yesterday in the community of Wamblan, in the northern part of Jinotega Department. The aircraft was supporting the Sandinist soldiers fighting in Wamblan, Bermudez Varela said during a broadcast on the clandestine 15 September Station monitored in Tegucigalpa this morning.

The leader did not explain how the aircraft was downed, saying only "it had been another blow sustained by the Sandinists."

The Nicaraguan Government announced this morning that the helicopter crashed because of mechanical failure, without providing further details. There was no report either on the death of members of the EPS.

The "contra" leader reported there has been fierce fighting in the past 3 weeks in northern Jinotega. During the month of October, our freedom fighters have verified the deaths of 36 Sandinist soldiers and the wounding of 240 others. The EPS flew the wounded out in helicopters to the hospital of Apana, in northern Jinotega, the FDN commander said.

Government Releases Names

PA011600 Managua Domestic Service in Spanish 1200 GMT 1 Nov 86

[Text] The names of the 21 companeros killed in the regrettable accident in northern Nicaragua that occurred on 30 October, at 1700 are as follows: Daniel Mauricio Moran Castrellon, Alexis Abraham Cano, Adolfo Perez Herandez, Manuel Cardenas Rivera, Julio Cesar Villagra, Carmen Arzola Tamaris, Felix Sosa Delgadillo, Magdaleno Rocha Mendoza, Dionisio Rene Cortez Hernandez, Jose Santos Ruiz, Juan Martin Rodriguez Flores, Juan Ramon Herrera, Buaneje Meza Solano, Pedro Jose Fonseca Gonzalez, Mauro Jose Fuentes, Simeon Iglesias Fueves, Orlando Duarte Zamora, Armando Martinez Garcia, Jose Antonio Martinez, Jose Alberto Montenegro, and Edwin Cruz Mendoza.

The Nicaraguan Defense Ministry has reported the regrettable accident occurred when an MI-17 helicopter, registration No 294, transporting airborn troops was preparing to land.

The helicopter crashed in bad weather a few meters from the heliport. The pilot, Fabricio Jose Aguilar Quintanilla, and a soldier, Jose Tomas Reyes, survived the crash.

RAMIREZ NOTES 'SIMILARITIES' IN U.S. POLICY

PA011303 Managua Domestic Service in Spanish 0300 GMT 1 Nov 86

[Text] Luanda -- Nicaraguan Vice President Sergio Ramirez Mercado has noted the similarity between the U.S. warmongering policy toward Central America and toward frontline countries in southern Africa.

The leader said the United States wants to establish puppet governments that will defend U.S. interests as their own. He pointed out that with that objective in mind, it is trying to destabilize governments such as those of Nicaragua, Mozambique, and Angola by financing counterrevolutionaries.

U.S. VIOLATES GATT AGREEMENTS WITH OIL TAX

PA030230 Havana International Service in Spanish 2300 GMT 2 Nov 86

["Our America" commentary]

[Text] The GATT's eighth round of negotiations has been initiated in the Swiss city of Geneva with a very unfavorable precedent: the tax imposed by the United States on imported oil.

At the beginning of last month, the U.S. Government imposed a tax of 11.7 cents per barrel on imported oil, a measure that openly violates GATT principles. In the final declaration issued by GATT after the meeting held in Punta del Este, Uruguay asserts the organization's determination to end protectionism; develop a broader, more viable, and lasting multilateral trade system; and abolish other forms of coercion. The White House, nevertheless, ignoring the agreements made in Punta del Este, and moreover forgetting its own word -- it must be remembered that the U.S. delegation signed the document -- imposed this new protectionist measure that seriously affects the Latin American crude-exporting countries. After all, approximately half of their sales, approximately 3 million barrels per day, are made to the United States.

The oil tax imposed by the United States abolishes a precedent for new similar measures regarding other products, as happened before with Brazilian steel and shoes. If the United States did not hesitate to make this decision -- despite its commitment to the GATT -- it will hesitate even less in the future to carry out actions that will increasingly worsen trade relations and the Latin American countries' economic situation. The oil tax joins existing unfavorable indicators, such as the low prices of raw materials, increased interest rates, reduced flow of capital, and the oppressive foreign debt.

This measure is a serious threat to the underdeveloped countries' economic future. For example, in Mexico's case, oil represents more than 60 percent of the country's total income; for Venezuela, the figure rises to 90 percent. At this new GATT meeting, the Third World countries will face a new problem, which, along with the conflict over the farming subsidies iimplemented by the Western industrialists, could block the progress of negotiations. Nevertheless, a common position against the oil tax has been adopted by the underdeveloped countries, which agree in describing it as damaging to international trade and contrary to the often-proclaimed U.S. principle of freedom in trade relations.

Manuel Tello, Mexican delegate to the GATT council of representatives, rejected the U.S. violation and said that he will reiterate this accusation when, during the course of the negotiations, the mechanism to ensure fulfillmert of the commitments made by the signees of the Punta del Este document is created.

U.S. DENIES VISAS TO CUBAN SPECIALISTS

PA012230 Havana International Service in Spanish 1600 GMT 1 Nov 86

[Text] Cuban medical institutions strongly criticized the U.S. Government's refusal to issue visas to Cuban specialists who were invited to the 13th Congress of the Latin American Association of Orthopedics and Traumatology, which ended today in Puerto Rico.

The National Council of Scientific Societies and the Cuban Society of Orthopedics and Traumatology said that the measure not only was arbitrary, but it infringed on the principles of international law and on the normal activities of regional and international scientific organizations. They also said that with such a policy, Cuba is being deprived of participating in meetings and activities sponsored by international organizations of which Cuba is an active member. This can only be interpreted as fear on the part of the U.S. Government that the world will know of the Cuban revolution's success. This is also another demonstration of the U.S. illegal embargo against Cuba

Scientific Societies Protest

FL311350 Havana Radio Progreso Network in Spanish 1200 GMT 31 Oct 86

[Text] The Cuban National Council of Scientific Societies and the Cuban Association of Orthopedic Surgery and Traumatology have expressed their utmost rejection of the U.S. State Department's arbitrary decision denying visas to a Cuban delegation which should have attended the 13th Orthopedic and Traumatology Congress in San Juan, Puerto Rico.

The document indicates that the U.S. official's decision is not an isolated incident, since visas have been denied this year to dozens of Cuban scientists and specialists who should have participated in important events in the United States. This is one more maneuver, the document stresses, to prevent the world from knowing our advancements in several scientific areas.

HAVANA CHARGES U.S. DEFENSE LAB DEVELOPED AIDS

PA021511 Havana International Service in Spanish 2300 GMT 1 Nov 86

[Commentary read by Roberto Socorro]

[Text] At a time when the Pentagon is being accused of having created the AIDS virus, the U.S. Government is refusing to give the necessary support to face this fatal disease. Specialists from various countries, including one from the United States, are affirming that the AIDS virus was created by a secret laboratory of the U.S. Defense Department and is not the result of a natural genetic process.

The U.S. Academy of Science has warned that the AIDS epidemic could become an implacable enemy, and has called for indispensable financial support from the Government for research work; however, the White House has responded to the U.S. scientific community with deaf ears and silence. In 1991, some 54,000 Americans will die as a result of the terminal infection, which will affect more than 500,000 people throughout the world within 5 years.

If the charges that the Pentagon created the virus are proven true, Washington will have a two-fold responsibility: that of having created the microscopic AIDS monster; and that of refusing to provide resources essential for fighting the illness that is threatening to turn into a medical catatastrophe for the United States and the entire world.

UK MOVE SEEN AS 'PROVOCATIVE,' 'CHAUVINIST'

PA011332 Havana International Service in Spanish 2300 GMT 31 Oct 86

["Our America" commentary read by Amalia San Martino]

[Text] British Foreign Minister Geoffrey Howe announced on Wednesday his government's decision to extend the controlled area around the Malvinas Islands to 200 miles. The decision is based on the desire to control fishing areas. Beginning 1 February, any ship wanting to fish in that area must have permission from the British Government, according to the announcement. This open and provocative action takes place at a time when the UN General Assembly has approved a resolution declaring the South Atlantic an area of peace and cooperation.

This has special meaning because, with the pretext of using the area for fishing, Prime Minister Margaret Thatcher's Conservative government is illegally extending an area allegedly under its control with the intention of increasing international tensions and of meddling in the affairs and territories that legitimately belong to the Argentine republic.

The Argentine Government reacted immediately and forcefully. The president released a document describing the measure as a threat to the international community, and announced that it will not allow Great Britain to exercise rights in the South Atlantic archipelago that exclusively belong to the Argentine nation.

In addition to its alleged desire to protect fishing resources, the British decision involves other issues that include the pound sterling and the electoral polls. For several reasons that have to do with its rightist stance, the Conservative British Government has seen its popularity decrease, and this could affect the results of the legislative elections originally scheduled for 1988, but which may be rescheduled for 1987, according to some versions.

The political strategy is lagging, and extending the areas under their control around the Malvinas Islands is an attempt to exacerbate the always latent British chauvinist spirit and to create interest among the voters. On the other hand, the issue of fishing licenses will provide Great Britain with some 20 million pounds, approximately $30 million, six times the amount presently collected.

As one can see, behind the measure, there are reasons which the Conservative British Government will use in its favor, but, above all, its desire to control the area will prevail, even at the cost of military action. Meanwhile, the Argentine Government has accused Great Britain of wanting to extend its colonial domain, warning that it will defend its rights in the region as well as in international forums.

CASTRO PRESIDES OVER FAR DECORATION CEREMONY

FL310216 Havana Television Service in Spanish 0100 GMT 31 Oct 86

[Text] Commander in Chief Fidel Castro, Party Central Committee first secretary and president of the Councils of State and Ministers, has presided over a decoration ceremony for a large group of FAR [Revolutionary Armed Forces] generals and officers who had an outstanding performance in the fulfillment of tasks aimed at preparing the country for defense by applying the "all the people's war" concept.

Following a long working session in which the development and improvement of our defense system for the past 5 years, current defense tasks, and those for the 5-year period 1991-1995 were discussed, a solemn ceremony was held at the Universal Hall. Army General Raul Castro, Party Central Committee second secretary and FAR minister, was also in attendance. Other Politburo, Secretariat, and Central Committee members also attended, as did vice presidents of the Council of Ministers, ministers, leaders of youth and mass organizations, FAR and territorial troops militia generals and officers.

The Commander in Chief bestowed the Ernesto "Che" Guevara order, first degree, on Leopoldo Cintra Frias, division general and Central Committee member, because of his successful fulfillment of three internationalist missions. It should be noted that the aforementioned order is given to active, reserve, or retired FAR members who have shown extraordinary merits in the fulfillment of internationalist missions. The officers were given the distinguished service award by Division Generals Abelardo Colome Ibarra, Ulises Rosales del Toro, and Senen Casas Regueiro, all FAR vice ministers and deputies of Division General Rogelio Acevedo, chief of the FAR Central Political Division.

After the ceremony, Fidel had a friendly chat with all participants.

MALMIERCA MEETS WITH PALESTINIAN LEADER

FL311340 Havana Radio Progreso Network in Spanish 1200 GMT 31 Oct 86

[Text] Cuban Foreign Minister Isidoro Malmierca, member of the Communist Party of Cuba Central Committee, has held a friendly meeting in Havana with Georges Habbash, general secretary of the Popular Front for the Liberation of Palestine, who is visiting our country. During the meeting, they discussed important topics related to the current Middle East situation.

HAVANA CITES HONDURAN COMMUNIST LEADER ON UNITY

PA311939 Havana International Service in Spanish 1600 GMT 31 Oct 86

[Text] The secretary general of the Communist Party of Honduras, Rigoberto Padilla Rush, has said in Havana that all Honduran Patriotic sectors must unite to struggle against their country's occupation by the U.S. troops. Padilla said that the Honduran authorities are committed to Washington's policy in the region to such an extent that Honduras has become an aircraft carrier on land [portaviones en tierra] to attack the Nicaraguan people and government.

In this regard, he mentioned that the Nicaraguan counterrevolutionaries circulate freely in Honduras. He also discussed the locations of their camps, noting that they have even taken over an extensive area on the Nicaraguan border. The Communist leader added that the U.S., Honduran, and Salvadoran armies have carried out the following joint military maneuvers: "Big Pine," ("Granadero"), and "Cabanas 86," with which they virtually occupy the country.

HERRENBERG ON FOREIGN 'DESTABILIZATION CAMPAIGN'

FL302156 Paramaribo International Service in English 1730 GMT 30 Oct 86

[Text] The Government of Suriname is determined to realize its program for the establishment of a new democratic state. This was disclosed yesterday by Foreign Minister Henk Herrenberg at a press conference here during which he informed the media that a transition period should go on smoothly and be realized by April 1 next year. The minister added that, in keeping with the promise by the self-deliberating council, the highest political organ, the people of Suriname will be able to decide a (?draft) constitution by way of a referendum.

The minister also called on the population to guard against what he called the destabilization campaign set up by foreign countries to overthrow the Government of Suriname. The minister named these countries as the United States, France, and the ex-colonial power Holland. He said these countries have been following the developments in Suriname closely since 1980 and have tried to dictate its (?course).

Mr Herrenberg also chided the section of the Dutch press which, according to him, is waging a psychologial warfare against Suriname and is making up stories about the country. He added that this confuses the Surinamese people, the Dutch people, and the international community regarding the true situation in Surname and the background of the happenings here. According to the minister, those who oppose progress and success of Suriname are engaged in steps that can result in hardships only for the Surinamese people but not for them since they are far from the violence which takes place in the country. The minister issued a call to all Surinamese to prevent foreign power from taking over Suriname.

Cabinet Berates Herrenberg

FL011152 Bonaire Trans World Radio in English 1130 GMT 1 Nov 86

[Text] Several Surinamese cabinet ministers have complained to the country's military leader Colonel Desi Bouterse about the performance and conduct of foreign minister Henk Herrenberg. They accuse him of having failed to maintain good relations with the United States, French Guinea, and the Netherlands despite having spent a great deal of his time abroad.

DECLARATION CONDEMNS MERCENARIES, FOREIGN AID

FL312238 Paramaribo International Service in English 1730 GMT 31 Oct 86

[Text] Some ten organizations in Suriname yesterday issued a declaration in which they condemned the presence of mercenaries on Surinamese territory. They also called on the Governments of France, England, and the Netherlands to cease supporting subversive activities of the Brunswijk Gang since innocent citizens are becoming victims. They also called on the authorities to arm the people to support the National Army and the militia in the defense of the country.

IDB GRANTS TWO LOANS TOTALING $137 MILLION

FL011343 Santo Domingo Listin Diario in Spanish 28 Oct 86, pp 1, 12

[By Maximo Manuel Perez]

[Excerpts] Yesterday, the IDB [Inter-American Development Bank] granted two loan requests totaling $137 million to the Dominican Government. The IDB also announced that it would facilitate future loan disbursements.

An IDB delegation met yesterday at the National Palace with Government representatives headed by Guillermo Caram, technical secretary of the president's secretariat, and Juan Jose Arteaga, Executive Branch economic adviser. Of the funds approved, $87 million have been designated for agro-industrial projects and $50 million for industrial reactivation. [passage omitted]

BALAGUER WARNS COUNTRY CANNOT PAY DEBT BY 31 DEC

PA010323 Madrid EFE in Spanish 0217 GMT 1 Nov 86

[By Joakquin Suero]

[Excerpt] Santo Domingo, 31 Oct (EFE) -- Dominican President Joaquin Balaguer today warned that his country cannot pay the $534 million it owes to various international organizations before 31 December. "We demand that the impossibility of paying the public debt be taken into consideration," Balaguer added. He said this to delegates of the World Bank and the Inter-American Development Bank (IDB), who visited him this week in his office.

Balaguer said, however, that the Dominican Government is willing to fulfill its commitments on the basis of new readjustments. "The country is completely unable to fulfill these commitments under the terms contracted by previous administrations," Balaguer explained as he announced that the foreign debt amounts to $4.234 billion. The Dominican president said: "They are worrying us and the country is faced with the possibility of suffering an economic collapse due to the previous adjustments."

He added that exports at the end of this year will amount to an estimated $718 million. For this reason, the Dominican Republic will be totally unable to pay the $534 million it owes before 31 December. He said, however, that apparently the Dominican Republic's creditors seem to understand the situation. At a news conference with local newsmen and foreign agency correspondents, Balaguer ratified his government's efforts for human rights to be respected. [passage omitted]

FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 213 4 November 1986

INTER-AMERICAN AFFAIRS

Foreign Ministers Issue Declaration on Falklands [Montevideo] A 1
Guatemala Works To Reactivate Contadora [ACAN] A 2

ARGENTINA

Government Reaffirms Opposition to UK Move B 1
Alfonsin Sees 'Plundering' B 1
Confers With Reagan B 2
Diplomatic 'Siege' Planned B 2
Further Foreign Comment on Falklands Issue B 3
Garcia Sees 'New Provocation' B 3
Bolivian 'Solidarity,' Contadora B 5
Duarte Offers 'Complete Support' [AFP] B 5
Greece Sees 'Threat to Peace' B 5
Italy, FRG Respond B 6
GDR's Axen Cites UN Votes B 6

BOLIVIA

Bedregal Comments on U.S. Relations, Agreements C 1
Briefs: GDR Consular Agreement C 1

BRAZIL

Sarney Reaffirms Informatics, Capital Policies [O GLOBO 31 Oct] D 1
Navy Views Demilitarization of South Atlantic [O ESTADO DE SAO PAULO 28 Oct] D 1
Meteorological Policy Moves to Science Ministry D 2
Government To Implement 'Calha Norte' Project [FOLHA DE SAO PAULO 31 Oct] D 3

CHILE

Prosecutor Indicts Terrorists, Releases Cox E 1
PDC Leader Claims Pinochet To Rule Beyond 1989 E 2
Carabineros Detain Students, Prevent Elections E 3
Police Detain Burroto [AFP] E 4
MIR Rejects Negotiation, Demands Armed Struggle E 4

COLOMBIA

Barco To Reinforce Security Organizations F 1
Samudio Stresses Loyalty of Armed Forces F 1

MEXICO

Senate Calls for Talks With U.S. on Immigration M 1
[EL NACIONAL 1 Nov]
Officials Threaten 'Reprisals' for U.S. Oil Tax M 1
[UNOMASUNO 29 Oct]
De la Madrid Meets Contadora Deputy Ministers M 3
[EL DIA 1 Nov]
Acevedo's Remarks on Quake Aid 'Infuriate' M 4
[EL NACIONAL 28 Oct]
Nepalese, Kenyan Ambassadors Present Credentials M 5
Vanuatu Establishes Diplomatic Relations M 5

CENTRAL AMERICA

GUATEMALA

URNG Proposes Dialogue in Mexican Embassy P 1
Spain Offers To Mediate Talks P 1
Church Volunteers Services P 1
Minister Denies Trade Ties With Belize Resumed P 2
Commentary Urges Government To Remain Neutral P 3
[EL GRAFICO 31 Oct]

HONDURAS

Troops Mobilize to Nicaraguan Border Area P 3

NICARAGUA

UNO Communique Protests Sandinist Communique P 4
[San Jose LA NACION 29 Oct]
Tirado Lopez To Head Delegation to Cuba P 5
Ramirez Meets Delegates, Attends Machel Funeral P 6

CUBA

Leaders Pay Tribute to FSLN During Ceremony Q 1
Veiga Participates in WFTU News Conference Q 2
Politburo-Secretariat Examines Party Program Q 2
Soviet Delegation Arrives for Celebrations Q 3
Welding Adviser Discusses Matanzas Power Plant Q 3
Honduras' Azcona Has No 'Presidential Authority' Q 4
Guatemalan Rebel Official on Dialogue Prospects Q 5
FRG Delegation Visits Santiago de Cuba Q 6
Grants Press Conference Q 6
Meets Rodriguez, Malmierca Q 7
Delegation Bid Farewell by Frelimo, Leaves Maputo Q 7
Havana Buries Machel Doctors Q 8
Risquet Meets Angolan Dos Santos, SWAPO's Nujoma Q 8
Commentary on Return of Haitian Tontons Macoutes Q 8
Trade Relations With Mongolia, SRV Reviewed Q 9
Alarcon Begins Official Visit to Spain [cross-reference] Q 10

CARIBBEAN

BARBADOS

Trade Deficit for First Five Months Increases S 1

JAMAICA

Ministries Discuss Improved Trade With Hungary S 1
PNP To Boycott Elections Until National Poll Held S 1

TRINIDAD AND TOBAGO

CSO Reports Devaluation Helped Economy S 2

SURINAME

Cabinet Said Divided Over Brunswijk Rebels U 1
[Amsterdam DE VOLKSKRANT 29 Oct]
Workers Evacuated Following Brunswijk Gang Raid U 2
Bouterse Eyes Economic Boost From Libya, IMF U 2

FOREIGN MINISTERS ISSUE DECLARATION ON FALKLANDS

PY031619 Montevideo Radio Carve in Spanish 0930 GMT 3 Nov 86

[Report from Punta del Este by reporter Emilio Suarez Silvera]

[Text] Brazil and Uruguay will support the Argentine decision to summon the OAS Permanent Council of Foreign Ministers to a special session to discuss the situation of the Malvinas Islands sovereignty in view of the latest events. The three countries also agreed to expand the studies aimed at institutionalizing the trilateral cooperation on the basis of the Uruguayan proposal to create a permanent South Atlantic commission, in keeping with their consistent concern for effectively preserving the fishing resources of the area. This common position was adopted as a result of the Uruguayan, Argentine, and Brazilian foreign ministers' summit that took place in Punta del Este on 2 November to analyze the consequences of the British declaration which established a 150-mile exclusionary fishing zone around the Malvinas Islands.

Foreign Ministers Enrique Iglesias, Dante Caputo, and Roberto Costa de Abreu Sodre, of Uruguay, Argentina, and Brazil respectively, met behind closed doors on three occasions in the Posta del Cangrejo hotel. Afterward they met with Ambassadors Carlos Perette [Argentine Ambassador to Uruguay] and Eduardo (Losana), as well as with advisers of their respective foreign ministries. In this manner they complied with Uruguayan President Julio Maria Sanguinetti's proposal made last 30 October to his colleagues Raul Alfonsin and Jose Sarney, after a round of personal telephone conversations with them. The foreign ministers discussed the subject thoroughly. After the summit they issued a 7-point declaration in which they reasserted their support for joint actions to try to reach an understanding between Argentina and Britain. The declaration was read by Iglesias, who said that the objective of the summit was to consider the consequences of the British declaration on the South Atlantic issued on 29 October 1986.

[Begin Iglesias recording] 1. The Governments of Brazil and Uruguay reiterated their total solidarity with the Argentine stand, in conformity with the recent communiques published, and the traditional friendship ties that link the three countries.

2. The three governments decided to maintain permanent diplomatic consultations in view of recent events.

3. They expressed their firm determination to resort to all peaceful mechanisms to find the path to solving the dispute between Argentina and the United Kingdom of Great Britain and Northern Ireland within the spirit of the UN resolution on the zone of peace and cooperation in the South Atlantic, and within the framework of resolution 40.21 on the Malvinas issue.

4. The governments of Brazil and Uruguay support Argentina's convocation of a special session of the OAS permanent council of foreign ministers.

5. The three countries, in keeping with their constant concern to effectively preserve the fishing resources of the area, agreed to expand their studies concerning institutionalized cooperation on the basis of the Uruguayan proposal of June 1986 to create a permanent commission of the South Atlantic.

6. Argentina expressed its profound appreciation to the Governments of Brazil and Uruguay for this new gesture of fraternal solidarity, within the spirit of the growing integration among its peoples.

7. The three governments reiterated before the international community their conviction that bilateral diplomatic negotiations are the appropriate means of finding a peaceful solution to this dispute, and expressed their firm hope that the future will demonstrate the effectiveness of this path. [end recording] [passage indistinct]

GUATEMALA WORKS TO REACTIVATE CONTADORA

PA301946 Panama City ACAN in Spanish 2337 GMT 29 Oct 86

[Text] San Salvador, 29 Oct (ACAN-EFE) -- The Guatemalan foreign minister said today that Central America cannot be without a forum for dialogue and negotiation, and he stressed the need to resume the Contadora Group peace talks.

"We cannot be without a forum. The Contadora Group peace efforts and the Central American parliament regional talks must be resumed," Mario Quinonez Amezquita said during a news conference. The Guatemalan foreign minister and his deputy, Francisco Villagran De Leon, in this capital ended a Central American tour that began last Saturday to promote the resumption of the Contadora talks.

The efforts of the Contadora Group, made up of Mexico, Columbia, Venezuela, and Panama, have been stalemated since June when Contadora issued a draft regional peace treaty which was not endorsed by all the area countries. "There are many obstacles in the way of resuming the Contadora talks. However, after meeting with [representatives of] the area governments, I am quite optimistic as I return to Guatemala," Quinonez said. "Our government will evaluate the views expressed in the area and then decide on what steps to follow, whether they be those that already exist or new ones," he remarked. To Quinonez Amezquita, the important things are "a political solution in Central America and the need to overcome obstacles via the Contadora peace forum and the parliament, places for dialogue."

The idea of a Central American parliament was conceived by Guatemalan President Vinicio Cerezo to promote regional dialogue. However, the parliament has not been established and the basis for its creation has not been fully outlined. Quinonez Amezquita said that the lawsuits filed by Nicaragua against Honduras and Costa Rica at the International Court of Justice in June for allegedly supporting the contras is one of the obstacles in the way of resuming the Contadora talks and developing the Central American Parliament. He said that the official protest by the Salvadoran Government to Mexico, a member of the Contadora Group, over a document presented at the United Nations on alleged human rights violations in El Salvador, is another obstacle.

On this subject, Salvadoran Foreign Minister Ricardo Acevedo Peralta, who also attended the news conference, said that problem with Mexico "could be an obstacle" to the renewal of Contadora's peace talks. "There could be problems, although I cannot give a definitive answer," Acevedo Peralta said.

Asked about the role Nicaragua plays in Central America, Quinonez Amezquita said Guatemala is "democratic and pluralistic," and "respects all peoples." The foreign minister said: "We will not encourage confrontation, nor will we approve of it. Nor will we allow our country to be used to train contras or destabilize the Managua government."

GOVERNMENT REAFFIRMS OPPOSITION TO UK MOVE

Alfonsin Sees 'Plundering'

PY032258 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1935 GMT 3 Nov 86

[Text] Mar del Plata, 3 Nov (NA) -- President Raul Alfonsin said today that the British decision to create a 150-mile fishing conservation zone around the Malvinas was "plundering" [despojo] and warned that "this provocation" raises the possibility that "incidents endangering peace in the region can occur."

The chief of state emphasized that Argentina "will make its rights respected as a peace-loving country."

At the opening of the 13th Inter-American Naval Conference, in which navy chiefs from 16 countries of the continent are participating, the Argentine president stated that "we are peaceful people and we seek peace."

Elaborating on this topic in addressing the navy chiefs, Alfonsin said: "You know that these 200 miles are part of the Argentine seas, where we have been peacefully exercising our rights in agreement with the international community."

"Arguments related to ecology, and fishing resources have been wielded and the United Kingdom has already tried to take this question to international forums," Alfonsin said.

The Argentine president said that behind that British concern "lays the intention to have Argentina and the majority of the international community recognize British sovereignty [over the Falklands] something which we will never do."

He then referred to the recent measure adopted by Great Britain as "plundering directed against our country."

In response to the British strategy of dealing with the fishing question unilaterally, Alfonsin said Argentina began to sign bilateral agreements "involving our seas, because it is true that since the exclusionary zone was established there have been excesses that could deplete the zone's fishing resources."

Alfonsin added: "We did not bring in any ships. However, there are ships flying different flags there. We have simply decided to put order in the fishing operations. The ships can come in a more orderly fashion, in fewer numbers, being controlled, and respecting the rights of the Argentine nation."

He stressed that "this is the path of peace that we are seeking in the southern region. This is why we have enthusiastically supported the proposal made by our sister nation of Brazil regarding the South Atlantic." He emphasized that Argentina will make its rights be respected and "will do so as a peace-loving country."

He then said that "we have demonstrated Argentina's desire for peace when we ended the 100-year conflict that we had maintained with our sister republic of Chile, making it a thing of the past. We have demonstrated this fact and we continue to do so as a member of the Group of Six, which is trying to make the world aware of the conviction that through an ethical awareness, the awareness of a new sense of morality. All of us are fighting, as they fought in the past, to put an end to slavery through moral force.

"Today we can try and convince the powerful of the world to stop the ever-increasing race that can lead not only to disaster for the belligerents, but also to disaster for all peoples of the world," he added.

Alfonsin also said that "we are going to defend our rights at all international forums. On this occasion I want to express my thanks for the moving solidarity that has been expressed by all the sister countries of Latin America, which are not alone, because we also have the solidarity of other democracies throughout the world, including all the Third World countries. We hope that the various international forums will understand our position."

"I see our America as the continent of freedom and peace, a freedom and peace that, to be effective, must march in unison because it is impossible to imagine them separately," Alfonsin said.

Finally, he thanked the navy chiefs for visiting Argentina because "here you are going to hold a dialogue, you are going to debate, and thus seek paths that will allow us to continue to work together to strengthen peace."

Confers With Reagan

PY040237 Buenos Aires TELAM in Spanish 0153 GMT 4 Nov 86

[Text] Buenos Aires, 3 Nov (TELAM) -- The Public Information Secretariat has reported that President Raul Alfonsin has asked his U.S. counterpart Ronald Reagan for his understanding and support in connection with the unilateral measures the British Government adopted for the Malvinas Islands.

In a phone conversation with the U.S. President this evening while Reagan was closing the Republican electoral campaign in California, Alfonsin reiterated that Argentina will defend its sovereign rights over its territory at all international forums.

Present during the conversation, which lasted from 2205 to 2215, were Foreign Minister Dante Caputo and Antonio Troccoli and Juan Sourrouille, the ministers of interior and economy, respectively.

Diplomatic 'Siege' Planned

PY040233 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2250 GMT 3 Nov 86

[Text] Buenos Aires, 3 Nov (NA) -- The government will make it clear to the international community that it has made a firm decision "not to militarize" the new conflict that was created when Great Britain unilaterally expanded the economic exploitation zone around the Malvinas, but rather "reinforce its diplomatic offensive" in Western Europe and the United States to demonstrate the "aggressive" character of the United Kingdom's decision.

On the domestic front, the source revealed that on 31 October high-ranking national officials met with labor leaders to brief them on the situation and that contacts with the political forces are continuing.

This information was provided to NOTICIAS ARGENTINAS today by a high-ranking official source, who added that the government strategy is intended to "lay siege" to London, and to demonstrate Argentina's "disposition to dialogue."

"The Argentine Government has obtained a quick response (?in) the area," the source pointed out, adding that "these are not the only steps we will take. Now we will reinforce our diplomatic strategy in West European countries and the United States, a country whose position is not yet very clear to us."

Analyzing the diplomatic "developments" in the near future, the source said that the "key date" will be 1 February, the date that has been unilaterally set by Great Britain to release regulations regarding the exploitation of resources by third countries within the 200-mile zone around the Malvinas.

The source added that "the government strategy and studies are aimed at (?completing as soon as possible) all the contacts and talks by that time, so that the announced regulations can be addressed appropriately."

Again, regarding the domestic front, the source said that the results of the contacts the government made with political forces have been "very good" and that a "secret meeting" between government officials and labor leaders was held on 31 October.

The source declined to provide more information on that "secret meeting," alleging that the process of the CGT internal reorganizations makes it inadvisable to go into details.

However, the source said that the actions the government has taken as a result of the Britisn Government's resolution were "well-received" by the labor leaders.

The diplomatic offensive and the talks with Latin American governments on the foreign front and the talks with the political and labor forces on the domestic front are the elements of what the source described as a "permanent session" by national authorities regarding the Malvinas issue.

The government will not relinquish its peaceful intentions and will demonstrate its disposition to dialogue at all times, the source reiterated, stresing that only the United Kingdom has manifested "aggressiveness."

Finally, the source stated that the authorities "have not let other serious and difficult problems affecting the country go unattended, although they have been overshadowed by the crisis triggered by Great Britain.

FURTHER FOREIGN COMMENT ON FALKLANDS ISSUE

Garcia Sees 'New Provocation'

PY040158 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2251 GMT 3 Nov 86

[Text] Buenos Aires, 3 Nov (NA) -- Peruvian President Alan Garcia today warned that Great Britain's "new provocation" in the South Atlantic is part of an "escalation of violence" against Latin America. He also believes that it could be "a maneuver to distract the world public opinion, getting it interested in this situation while promoting some type of action against Nicaragua."

During a press conference that he held here during his visit to the country, Garcia termed as "inoperative" the Inter-American Reciprocal Assistance Treaty (TIAR), and stated that "its limitations have already been demonstrated, including its ideological stance, because it only responds to the interests relating to the East-West conflict and not to the interests pertaining to the North-South problem," in an obvious reference to what happened during the Malvinas war.

Garcia stressed that his trip to Argentina was a decision that was made outside "any type of protocol" with the goal of "expressing Peru's full support for Agentina and to promote a joint Latin American action in favor of [words illegible] Argentina."

Prior to meeting the media, Garcia met with a group of Argentine politicians and told them that Great Britain had committed "an action of provocation to the detriment of a peaceful solution" of the Malvinas problem.

He added that the current situation "involves the continent as a whole" and he stressed that "they (referring to the British) are (occupying) (the Islands) through the use of force, not reason. They have the force, but not the right. They can win, but not convince."

He stressed that "in addition to the problem of the South Atlantic we have a real danger where Nicaragua is concerned, where death, distress, and war are hovering," referring to possible armed interference by the United States.

The following Argentine politicians were present at the meeting and at the press conference: Marcelo Stubrin and Adolfo Gass of the Radical Civic Union; Antonio Cafiero and Jose Luis Manzano of the Justicialist Party; and Guillermo Estevez Boero of the Socialist Party.

Garcia rejected any type of bilateral action with Great Britain to try and seek a solution and he stressed that "we have come here to place ourselves at the disposal of the Argentine Government, which must make the decisions."

He added that the first thing to do is to seek "specific actions within the framework of the nonaligned countries, as one of its members is being threatened by a world power."

When Garcia left the press conference he was greeted warmly by approximately 200 persons [words illegible] in Plaza San Martin [words illegible] banners of the Peronist Youth, who honored him by singing "porompompon, porompompon, Alan Garcia is a Peronist."

At the disorderly press conference, Garcia rejected the British intention to establish a fishing zone around the Malvinas. He insisted that he supports the creation of an organization of Latin American and Caribbean states in order to "defend our rights."

He demanded "full sovereignty" for all the peoples of the subcontinent. He called for unity to "face the threat of the foreign debt" and to "stop the escalation of those who maintain very conservative ideas regarding trade with the countries of the Eastern bloc." Thus he referred to the British decision to expand to 150 miles the exclusionary zone as an answer to the fishing treaties Argentina has signed with the Soviet Union and Bulgaria.

Bolivian 'Solidarity,' Contadora

PY040030 La Paz La Red Panamericana in Spanish 1700 GMT 3 Nov 86

[Excerpts] Foreign Minister Guillermo Bedregal has played down the request to censure him because, as he put it, the Huanchaca case is being manipulated for political purposes. [passage omitted]

Bedregal also referred to the possibility of Bolivia joining the Contadora Group, stressing that if Bolivia is invited, there will be no justification for a refusal.

Concerning the Argentine-British conflict, Bedreal said:

[Begin recording] (?I think) you are aware of what has been done in this regard. On 30 October, the president called President Alfonsin to express our solidarity. [?In turn] he contacted Foreign Minister Dante Caputo. This course of action [passage indistinct]. I believe the last colonial stronghold in our hemisphere must be a top issue for all Latin Americans. We call upon both sides to once and for all engage in serious negotiations to end this colonial affront against Latin America. This will be our position at the OAS meeting in Guatemala. [end recording]

Duarte Offers 'Complete Support'

PA032211 Paris AFP in Spanish 2059 GMT 3 Nov 86

[Text] San Salvador, 3 Nov (AFP) -- Salvadoran President Jose Napoleon Duarte today expressed his complete support for Argentina in its legal claim over the Malvinas Islands.

"El Salvador believes that the Malvinas belong to Argentina, and therefore we offer our complete support," to Argentina in its conflict with the UK regarding those islands and their territorial waters, the Salvadoran president said. This is the first official statement issued by the Salvadoran Government after the British Government decided to extend its "area of economic exclusion," around the Malvinas.

Greece Sees 'Threat to Peace'

PY010205 Madrid EFE in Spanish 0121 GMT 1 Nov 86

[Text] Buenos Aires, 31 Oct (EFE) -- Presidential spokesman Jose Ignacio Lopez reported here today that Greek Prime Minister Andreas Papandreou has expressed to Argentine President Raul Alfonsin "his understanding and support" as well as "his concern over the threat to peace" that the British decision implies. Alfonsin contacted the Greek prime minister over the phone and briefed him on the Argentine position regarding the decision adopted by Great Britain to create a protective fishing zone around the Malvinas Islands. Lopez added that Papandreou voiced assurances that Greece "will support the Argentine proposal at the United Nations" and "will present the issue at the highest level of the EEC" in December.

Italy, FRG Respond

PY311433 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1345 GMT 31 Oct 86

[Text] Buenos Aires, 31 Oct (NA) -- Italian President Francesco Cossiga today told his colleague Raul Alfonsin that "Argentina can always count on Italy's understanding" regarding the British decision to extend the economic exclusion zone around the Malvinas Islands.

FRG Chancellor Helmut Kohl also told Alfonsin that he thinks "that the most reasonable channel would be for the parties to negotiate."

Cossiga also told Alfonsin he will contact the Socialist head of the Italian Government, Bettino Craxi, and Christian Democratic Foreign Minister Giulio Andreotti, who are currently visiting Beijing, to inform them about the topic.

Alfonsin telephoned Cossiga and Kohl from Olivos where he is conducting his official activities today, within the framework of a round of international consultations he is making. This information was provided by Presidential spokesman Jose Ignacio Lopez, who telephoned the news room at Government House from Olivos.

GDR's Axen Cites UN votes

PY030151 Buenos Aires DYN in Spanish 1547 GMT 2 Nov 86

[Text] Buenos Aires, 2 Nov (DYN) -- Hermann Axen, third man in the GDR leadership, has arrived here. Axen expressed the GDR's support of the UN resolutions regarding the Malvinas conflict, indicating "we should do everything we can to prevent the worsening of the conflict."

Axen emphasized "the important role of President Raul Alfonsin and the Argentine struggle for peace, democracy and international cooperation which are well-known in our country." He said he is optimistic about the talks he is going to hold with the president, and government and Congress officials. He added the talks "will help strengthen bilateral links."

Axen, who was invited by Vice President Victor Martinez, is a member of the Politburo, secretary of the Socialist Unity Party of Germany and chairman of the People's Chamber Foreign Affairs Committee. Axen was welcomed at the airport by Senator Adolfo Gass, president of the Senate Foreign Affairs Committee and by GDR Ambassador to Argentina Horst Neumann.

Axen said: "The international situation is getting worse. Because of the danger of a nuclear catastrophe, the policy of peaceful coexistence has bcome the last reasonable choice." He added "Argentina is engaged in an active and constructive action within the Group of Six, a group internationally appreciated because it supports security and detente in Latin America."

Axen pointed out that "the GDR keeps its word: Never again will a war break out on German soil, and this is why the GDR conducts a policy of dialogue and cooperation." He also referred to the meeting held by Ronald Reagan and Mikhail Gorbachev in Iceland, and the GDR's support for any talks aimed at eliminating nuclear weapons in the world.

BEDREGAL COMMENTS ON U.S. RELATIONS, AGREEMENTS

PY011831 La Paz La Red Panamericana in Spanish 1700 GMT 1 Nov 86

[Text] Foreign Minister Guillermo Bedregal Gutierrez said, in comments made at Government Palace, that diplomatic relations between Bolivia and the United States are at the very best level, and he does not believe there will be any (?distancing) between the two countries.

Bedregal Gutierrez added, because of the friendship existing between Bolivia and the United States, we are right now negotiating the [word indistinct] of the U.S. technical and logistical cooperation. There will be a large-scale agreement which will be incorporated in the dangerous drugs law which is now up for approval in Congress.

Regarding rumors that the Drug Enforcement Agency agents will leave the country, the foreign minister said they are officials of the U.S. Embassy and members of its staff, and that it is up to the U.S. Government to decide if they should go.

He also stated that the Executive Branch will request Congress to ratify the bilateral agreements signed with Taiwan, Cuban, and Canadian Governments in the framework of the national (?energy) program.

BRIEFS

GDR CONSULAR AGREEMENT -- Foreign Minister Guillermo Bedregal Gutierrez and concurrent GDR Ambassador Klaus Hartmann have signed a bilateral consular agreement to promote economic, cultural, and scientific relations. The talks leading up to this agreement started in 1984. [Summary] [La Paz La Red Panamericana in Spanish 1130 GMT 25 Oct 86 PY]

SARNEY REAFFIRMS INFORMATICS, CAPITAL POLICIES

PY011443 Rio de Janeiro O GLOBO in Portuguese 31 Oct 86 p 20

[Text] Brasilia -- President Jose Sarney yesterday complained to two deputies, Joao Hermann and Joao Cunha -- both of whom are PMDB [Brazilian Democratic Mobilization Party] deputies for Sao Paulo -- that national and foreign groups are pressuring him to modify the foreign debt negotiations, to change the informatics reserve market law, and the remittance of profits law. This was explained by the two deputies at the end of the meeting they held with the president at the Planalto Palace.

According to Joao Hermann, the president referred to some businessmen saying, "people in this country must get used to earning no more than a 20 percent profit per month."

According to the legislator, Sarney also said that he is being pressured by foreign sectors, which want to increase their participation in the Brazilian domestic market, and by the financial system. He also said that he is confronting threats that the United States and Eastern European countries will implement retaliatory measures against Brazilian products.

According to Hermann the president asserted that he will not yield to these pressures and he told Deputy Joao Cunha that "the reserve market law for informatics is here to stay."

According to Cunha, Sarney also told him that he will not change his conduct of the foreign debt negotiations, that they will be carried out without the IMF's monitoring. Foreign sectors are exerting pressure regarding the Brazilian law that regulates the application of foreign capital in the Brazilian economy. Sarney reassured Hermann that he has no plans in amending this law "because it has been in force for 30 years."

NAVY VIEWS DEMILITARIZATION OF SOUTH ATLANTIC

PY311519 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Oct 86 p 6

[Text] The resolution yesterday approved by the United Nations, creating a peace zone in the South Atlantic, is a controversial issue for the military. Navy Minister Enrique Saboya himself stated "this is an issue of foreign policy and is therefore an Itamaraty project," In so doing he removed from the Brazilian Armed Forces any responsibility for the drafting of this project. Nevertheless, in its preliminary phase, the Foreign Ministry did consult with Navy Minister Saboya about the proposal and was instructed not to confuse in any way whatsoever the term "demilitarization" with "nonmilitarization". Yesterday Admiral Saboya reasserted his theory by noting: "this is not merely a question of semantics."

In the final document, the Brazilian proposal (which was published by O ESTADO DE SAO PAULO on 16 October), the Brazilian Foreign Ministry dedicated an entire chapter to explain the difference between the two terms by stating that "the concept of nonmilitarization of the area (the peace zone in the South Atlantic) by countries alien to this area does not mean the area must be demilitarized by those countries of the region. The latter does not mean those countries in the region must reduce their capacity to undertake military actions.

The document reasserts this initiative "in principle means it is up to those countries (in the region) to assume greater responsibilities to defend the peace and security of the region. Consequently, this means they must resort to all the necessary means available."

By establishing this point of view, Itamaraty left open the possibility for the establishment of a South Atlantic Defense and Security Organization, similar to that of NATO. This is an idea defended by the three branches of the Brazilian Armed Forces. A recent study drafted by a student of the Air Force Command and General Staff School, discusses the strategic function of the South Atlantic by noting: "Because of its geopolitical role in the South American continent, Brazil plays an important role in the defense of the South Atlantic. NATO has an established scope of action but it has already expressed interest in expanding its field of action because its member-countries have already recognized the constant threat of Soviet power." If Brazil is to "defend its extensive coastline, the ports, sea traffic routes, and the oil rigs on the continental shelf, it needs powerful partners so as to be able to confront such an extraordinarily powerful threat."

Influenced by the security doctrine, Brazilian Armed Forces sectors assumed the strategic defense of the South Atlantic based on terms of bipolarity. Motivated by the U.S. strategic policy, a Brazilian officer wrote the Soviets are already near the Suez canal, and they are gradually gaining ground in Central America by installing guerrilla centers in El Salvador, Nicaragua, and the Dominican Republic.

The region's strategic importance is also shown by the fact that Brazilian Navy takes part in the U.S. Navy training exercises, the Unitas operation. But now the Brazilian military is questioning the course that the UN-approved resolution may take. They are also aware that Argentina is much more interested in achieving a "demilitarization" of the region, in view of its dispute with Great Britain over the Falklands-Malvinas Islands, than Brazil whose military schools have always planned for an eventual military conflict in Brazilian waters.

METEOROLOGICAL POLICY MOVES TO SCIENCE MINISTRY

PY311343 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 31 Oct 86

[Text] President Sarney has signed a decree transferring the formulation and implementation of national meteorological policies from the Agriculture Ministry to the Science and Technology Ministry. According to Ministers Iriz Rezende and Renato Archer, the current Brazilian operational system is obsolete, and requires new technology.

GOVERNMENT TO IMPLEMENT 'CALHA NORTE' PROJECT

PY012240 Sao Paulo FOLHA DE SAO PAULO in Portuguese 31 Oct 86 p 6

[By Dermin Azevedo]

[Text] Fear of a border war between Venezuela and Guyana, the worsening of the Central American crisis, and the "projection of the East-West confrontation to the northern region of South America," in addition to the need to combat drug trafficking, have compelled the Brazilian Government to spend almost 11 million National Treasury Bonds (OTNS) (worth a total of 10,787,165 cruzados) in an ambitious project entailing the military occupation and development of 6,500 km of Brazilian territory bordering five countries: Colombia, Venezuela, Guyana, Suriname, and French Guyana. This project is also known as the Calha Norte Project.

Military Cabinet Chief General Rubens Bayma Denys, and three other ministers, justified the undertaking of this project in a report that was submitted to President Sarney on 19 June 1985. One of the strongest arguments for the project was the susceptibility of "Guyana and Suriname to Marxist influenced ideology, which makes Brazil's sovereignty more vulnerable."

In addition to increasing the military presence in the region, the document -- a copy of which FOLHA DE SAO PAULO had exclusive access to -- provides for a strengthening of bilateral relations with the five neighboring countries; the reestablishment of border landmarks; the definition of a proper Indian policy for the area -- something that has been criticized by the church; the expansion of infrastructure of roads; the increase in energy production; and the establishment of economic development centers and basic social resources.

This project has been drafted by an interministerial team made up of the National Security Council (CSN), a government body linked to the presidential military cabinet; of the Foreign Relations Ministry; the Planning Ministry; and the Interior Ministry. This team chose "six preferable areas of action": a) that regarding the presence of Yanomani Indians in the northeastern region of Roraima and in the northern region of the Amazonas state, bordering Venezuela; b) that regarding the upper Rio Negro region, located northeast of the Amazon River, bordering Venezuela and Colombia; c) that regarding the stretch to the north and to the east of the state of Roraima, bordering Venezuela and Guyana; d) that regarding the upper Solimoes River and the upper Traira River, to the west of the Amazon, a sector bordering Colombia; e) that concerning the Tumucumaque Hills, in the northern border of the state of Para, bordering Suriname; and f) the sector to the north of the Amapa territory, bordering French Guyana.

PROSECUTOR INDICTS TERRORISTS, RELEASES COX

PY311418 Santiago Domestic Service in Spanish 0930 GMT 31 Oct 86

[Passages in quotation marks recorded]

[Excerpts] Ad Hoc Military Prosecutor Fernando Torres Silva has indicted seven of the nine terrorist who participated in the attack against President Pinochet. Two others were released but the judge issued an order prohibiting them from leaving the country.

This was reported last night at 2105. It was added that the seven who have been indicted will continue to be held incommunicado. Torres Silva reported that those in question have already been notified of the prosecutor's decision.

[Torres Silva] "Seven people have been indicted. Two were released but they are prohibited from leaving the country."

[Reporters] [indistinct crosstalk]

[Torres Silva] "The court's secretary will now read the resolutions indicting the people involved. (?Only two people were released)."

Asked whether the court will apply Article No 6 of the terrorist law which states terrorists will be punished as though they had succeeded in assassinating the president, the prosecutor said:

[Torres Silva] "Like any law, this law is mandatory. However, this law also authorizes a modification by different degrees. This is a case that is just beginning since we have just indicted some people [words indistinct] charged."

The military prosecutor said except for Engineer Eduardo Navarro Cox, all those under arrest will continue to be held incommunicado. As has been reported, Navarro Cox is a relative of student leader Dauno Tottoro who is well-knpwn for his communist leanings. The prosecutor's secretary, Francisco (Bagetti), read the court's decision:

[Bagetti] "In view of that which is established in Articles No 274 and 276 of the penal code, I indict and bring to trial the following: Juan Moreno Avila, Arnaldo Hernan Arenas Vejar, Victor Leodoro Diaz Caro, Jorge Mario Angulo Gonzalez, and Lenin Fidel Peralta Veliz. All of these persons have been charged with perpetrating crimes specified in Articles No 1 and 2 of Law No 18314 on terrorist activities. All of these persons will be held under preventive custody at the site they are presently being held. They shall continue to be held incommunicado and at the disposal of this court. The prisoners must be identified; their background files are hereby requested; all those interested are hereby notified.:

The court secretary also reported: [Bagetti] In keeping with Articles No 274 and 276 of the penal code, I hereby indict and bring to trial Juan Eduardo Navarro Cox. He is charged with the crime specified in Article No 8 of Law 17,798 on the Gun and Explosives Control Law." [passage omitted]

Amid great expectation, (Bagetti) also read other court resolutions regarding those terrorists who were arrested by the investigative policy for their involvement in the attack against the president.

[Bagetti] "Moreover, in keeping with Articles No 274 and 276 of the penal code, I indict and bring to trial Rebecca Lucia Hidalgo Fioueroa. She is charged with perpetrating the crime specified in Article No 8 of Law No 17,798 regarding the Guns and Explosives Control Law. She will be held under preventive custody in the same penal institution where she is presently being held. Moreover, she will continue to be held incommunicado and at the disposal of this court. The prisoner must be identified; her background file is hereby requested; and the court decision must be notified."

Later, the court secretary read the court resolution through which two women, who were arrested during the police investigation, were released.

[Bagetti] "In keeping with the evidence available, the court hereby releases luz Cristina Lizama Moreno and Sonia del Carmen Avila Marin." [passage omitted]

PDC LEADER CLAIMS PINOCHET TO RULE BEYOND 1989

PY031841 Madrid EFE in Spanish 1413 GMT 3 Nov 86

[Text] Bonn, 3 Nov (EFE) -- Gabriel Valdes, president of the Chilean Christian Democratic Party [PDC], today said here that "despite what he says, General Augusto Pinochet will not give way to democracy in 1989. On the contrary, he will extend the dictatorship."

During an international Christian Democratic Symposium on human rights, Valdes remarked the present Chilean Government distorts the truth and if the current constitution is applied without any reforms, "it will be consolidated in 1989 and will be extended for 8 more years."

The lies told by the government do not hide the reality of an oppressed society, Valdes said, adding that all the Chilean political parties are considered illegal and the stress of emergency and of siege give room for all possible types of abuses. The PDC leader said the task of recovering democracy in Chile belongs to the Chileans, but "to reinstate Chile among the civilized community is a challenge for the whole Christian Democrat community."

Valdes said the Chilean regime's violence generates violence in response, and he added his party does not want guns for Chile, but rather a free and secret vote to elect the people's representatives. He explained his party has allied with other rightist, centerist, and leftist democratic parties to attain this. This alliance has reached an agreement that will bring stability and ruling conditions to the country.

When referring to human rights, Valdes said they are the most valid expression of civilization in our days, and that, therefore, "their defense and validity should not know borders, flags, races, or political or religious ideas." The PDC leader said despite the fact Chile has signed the UN pacts on individual and political human rights, the present regime, "in a typically deceitful attitude, does not respect or publish them in the official bulletins." He said "for years Chile has been suffering the scourge of human rights violations," and added: "I am saying this with deep grief and shame, because Chile was an example of democracy and progress for decades."

Valdes thanked the Christian Democrat movement for its support for the Chilean democrats, and especially for the PDC.

About the economic situation, Valdes said "European prosperity and security is conditioned to the Third World situation, to that of Latin America, and to Chile in particular."

He stressed that democracy's new dimension lies within the fact that its deep values are international, and he added "the international aspect should be restricted to companies and money, but should be extended to human rights, civic freedoms and participation universally."

Valdes pointed out that the attacks on the life and individual security and integrity of the people is a daily fact suffered by millions of human beings, and 'the only manner by which the respect for human rights will be guaranteed concretely in Chile is through democracy."

CARABINEROS DETAIN STUDENTS, PREVENT ELECTIONS

PY311000 Santiago Radio Chilena in Spanish 2200 GMT 30 Oct 86 [passages in quotation marks recorded]

[Excerpt] For the second consecutive day, the Carabineros today entered the former Pedagogical School of the Metropolitan University and prevented the holding of the Student Federation of Chile [FECh] election on the orders of the university rector, Hector Herrera Cajas. The Carabineros also took the ballot boxes with all the votes cast today.

The FECh board candidates also were detained: They are German Quintana, Carolina Toha, Juan Pablo Scroge, and Alvaro Erazu. These incidents occurred this afternoon at the former Pedagogical School, and were reported by Manuel Pintos, a candidate of the leftist faction, who witnessed the incident.

As you know, the electoral court decided to continue the elections today only at the former Pedagogical School and to continue the voting in all other schools tomorrow.

[Pintos] At approximately 1600, when a symbolic vote was taking place inside the former Pedagogical School building, Carabineros entered the campus on the orders of Rector Herrera Cajas and detained 174 students, including a candidate of list No 4, Scroge, and candidates of list No 1, German Quintana and Carolina Toha, and apparently, although not confirmed yet, Alvaro Erazu, who is representative of list No 3.

They were all later taken to the 18th Police Station, where they are being held. I personally talked with the person in charge of the police station, and the information we received is that their names and addresses will be checked and that some of them could be released within the next few hours."

Pintos added that many students were also detained in a selective manner.

[Pintos] "What worries us is that several students who did not belong to the former Pedagogical School were also detained. They belong to other schools of the University of Chile. Other students from the former Pedagogical School were picked and detained from the long lines of students formed to leave the place. Most of them belong to the schools of history and philosophy, which are the schools that participated in the elections of the Student Federation.

We are very concerned about them because they were apparently selected based on information and pictures provided by civilians who usually participate in these types of raids and detentions." [passage omitted]

Police Detain Burotto

PY301704 Paris AFP in Spanish 2339 GMT 29 Oct 86

[Text] Santiago, 29 Oct (AFP) -- Humberto Burotto, president of the Student Federation of Chile [FECh], was detained today by the police while he was presiding over a meeting at the Santiago Metropolitan University, eyewitnesses of the incident reported.

Burotto was heading a meeting of students to assess the elections for leaders of that student federation, when the militarized police arrived and detained him.

Initially there was no official report on the reasons for Burotto's detention, but the Metropolitan University authorities have opposed the participation of students from that university in the elections, and ordered the ballot boxes be removed.

MIR REJECTS NEGOTIATION, DEMANDS ARMED STRUGGLE

PY040255 Madrid EFE in Spanish 0114 GMT 4 Nov 86

[Text] Santiago, 3 Nov (EFE) -- MIR [Movement of the Revolutionary Left] Under Secretary General Hernan Aguilo today rejected "all forms of negotiation between the opposition and the Chilean military regime," advocating "armed struggle."

In a typewritten statement delivered to the international news agencies by a self-styled news agency of the resistance, AIR [Agencia Informativa de la Resistencia], Aquilo said that "it is impossible to negotiate with the Armed Forces commanders because they are committed to the dictatorship and to the Pinochet government."

BARCO TO REINFORCE SECURITY ORGANIZATIONS

PA010309 Bogota Television Service in Spanish 0000 GMT 1 Nov 86

[Excerpt] President Virgilio Barco publicly repudiated organized crime and announced that security organizations will be reinforced. The president spoke during the ceremony to commemorate the 33d anniversary of the foundation of DAS [Administrative Department of Security]. This is a report by Hernando Corral.

[Begin recording] [Corral] President Barco appealed to security agencies regarding the importance of their work in the pacification plans.

[Barco] Your civility, prevalence, and intelligence will determine to a great extent that those who still persist in preventing the reconciliation of Colombians or in committing the atrocious crimes of kidnapping, extortion, or drug trafficking cannot succeed at their nefarious task of destroying the Colombian society.

[Corral] The head of state presided over the events to commemorate DAS's 33d anniversary. During the ceremony, the president announced a reinforcement of intelligence agencies.

[Barco] We will have to make efforts to equip and increase the number of men in the agencies specialized in protecting Colombians. We will also give them technical support.

[Corral] Colonel Maza Marquez [DAS director], has any plan against public order been detected 1 year after the bloody occupation of the Palace of Justice?

[Maza Marquez] The national security council has met on this already. The council considered in depth what you have mentioned. Preventive measures have been taken so that no alteration of order will recur. We hope nothing will happen. [end recording] [passage omitted]

SAMUDIO STRESSES LOYALTY OF ARMED FORCES

PA031521 Bogota Emisoras Caracol Network in Spanish 1215 GMT 3 Nov 86

[Text] Bogota -- Defense Minister General Rafael Samudio Molina stressed that the Armed Forces will be loyal to President Virgilio Barco Vargas in regard to all decisions he makes and paths he outlines for the consolidation of peace. He also announced special measures have been adopted to neutralize any guerrilla activity on the 1st anniversary of the M-19 occupation of the Supreme Court building.

The minister also provided details of his meeting with leaders of the Patriotic Union [UP], stressing that he met with Braulio Herrera and Jaime Pardo Leal as spokesman of the UP and not as members of any guerrilla organization. He said he categorically stated this to Braulio Herrera, even asking him to leave if he was coming on behalf of the FARC, rather than the UP, the political movement through which Herrera was elected to the Chamber of Representatives. In remarks made on "The Personality of the Week" program, the minister insisted that there has been and currently is an alliance between the guerrillas and the drug traffickers. He brought up several cases in which this alliance has been clearly shown.

SENATE CALLS FOR TALKS WITH U.S. ON IMMIGRATION

PA031922 Mexico City EL NACIONAL in Spanish 1 Nov 86 p 1

[By Armando Alcantara]

[Text] The Mexican Senate yesterday proposed to the United States a bilateral negotiation of the problem of the Mexican undocumented workers. The Simpson-Rodino Law, recently approved by the U.S. Congress, does not resolve the problem. On the contrary, if it is enforced as it currently stands, it will be negative for both countries.

In its statement, the Mexican legislative branch said that a continuous dialogue between the two governments must be maintained and that joint decisions must be adopted.

It must be explicitly agreed that the problem of the migrant workers is of a bilateral nature. This means that the issue must stop being the object of unilateral and partial resolutions, the legislators stated.

They indicated that it is important that the handling of the problem not be reduced to strictly its immigration aspects, but that it include other decisive aspects such as labor, economic, cultural, social, and human rights issues.

In this regard, they proposed that specific agreements be sought to establish the conditions for the permanance of Mexican workers in the United States, agreements that would have to be fulfilled by both governments.

They might essentially include the right to legal residence, demonstrating the condition of worker and taxpayer [as published]; treatment equal to that of U.S. citizens; respect for work regulations; and the right to unionization.

OFFICIALS THREATEN 'REPRISALS' FOR U.S. OIL TAX

PA312022 Mexico City UNOMASUNO in Spanish 29 Oct 86 pp 1, 14

[By Marco A Mares]

[Text] Luis Bravo Aguilera, deputy secretary of foreign trade [title as published], said yesterday that Mexico will impose unilateral measures against U.S. imports in reprisal for the establishment of the oil tax because that tax will imply revenue losses of approximately $35 million to Mexico. He noted that Mexico may be the target of more pressure to act in defense of its interests. He added: "We are not alone; we have allies."

He said that trade measures will fall within GATT regulations. GATT has already appointed a negotiations team with the support of 24 countries, including those of the EEC and Canada, which found "the principle adopted by the United States could be used by the U.S. Congress for products of greater interest [sentence as published]."

Luis Bravo Aguilera said this at the end of a news conference during which he reported on agreements Mexico reached with Brazil and Argentina.

The deputy secretary of foreign trade said that the U.S. oil import tax will mean a loss of $35 million per year for Mexico, and that this loss must be compensated for in one way or another.

He said that before imposing unilateral measures, a negotiations panel with the United States must be created in the GATT framework to see whether this country [not further specified] can equal that tax [as published]. If so, Mexico's protest will not be valid. However, he warned that the panel's decision could be rejected by the U.S. Congress -- a body sovereign unto itself -- and that the tax, which until now has had minimal effects, would be entitled to export compensations totaling $35 million. Furthermore, negotiations could be held to reduce the amount of trade in products of interest to the country. [sentence as published]

"If the United States gives us compensation, that will be the end of the problem. If the panel rules in favor of Mexico, the United States will have to offer reparations equaling the damage done to the Mexican economy and offer compensation to Canada, the UK, and other GATT member countries," he said.

Luis Bravo Aguilera said that if the United States refuses to offer compensation, "Mexico will take reprisals, including unilaterally raising taxes on U.S. imports and restricting or requiring export permits to restrict the entry of products from that country. That can only be done by a GATT member," he explained.

According to a report obtained by UNOMASUNO, the additional tax of 11.7 cents and 8.2 cents per barrel for imported oil announced by the U.S. Government has the following impact on the Mexican economy:

-- The country will lose approximately $38 million per year; that is, approximately 0.8 percent of its total oil exports.

-- The country's exports to the United States will drop by up to 1 percent, as Mexican export crude is replaced by domestic hydrocarbons.

-- Mexico loses with this tax, because it will have to absorb the cost of the tax if it wants to maintain its current export rate to the United States.

During the new conference at the Foreign Relations Secretariat, the under secretary of foreign trade said that attempts will be made within GATT to establish "a Latin American political consensus." Thus far, this has only been done by Mexico, Brazil, and Argentina.

He reported that Ecuador and Venezuela joined the Mexican protest against the U.S. tax, noting that while these countries are oil countries and have only observed status in GATT, as do Cuba and Nicaragua -- who also endorsed Mexico's protest -- perhaps they will not benefit by the endorsement of Mexico's position.

Bravo Aguilera acknowledged that, based on the data, the damage can be considered minimal. However, the Government is striving to fight the principle behind the move, "which is unacceptable."

DE LA MADRID MEETS CONTADORA DEPUTY MINISTERS

PA031933 Mexico City EL DIA in Spanish 1 Nov 86 p 3

[Text] The deputy foreign ministers of the Contadora and Support Groups yesterday visited President Miguel de la Madrid, who emphasized that under the present circumstances we are living in a time of risk, but also a time for opportunities. He emphasized that it is necessary to jointly confront the current crisis in order to be able to reduce the threat to the area.

Concerning the Central American conflicts, he said that these conflicts not only represent a threat for those nations, but for all of our countries, and, furthermore, even for the stability and security of the hemisphere.

He said that the proposals discussed during the deputy foreign ministers' meeting were the substantial basis for holding periodic meetings of the foreign ministers, who are then in a better position to present their decisions in favor of regional integration and cooperation to the presidents of the eight Latin American nations.

Miguel de la Madrid reiterated to the deputy foreign ministers of Argentina, Brazil, Colombia, Panama, Uruguay, and Venezuela that Latin America is a top priority for Mexico in its participation in international activities.

Meanwhile, the Foreign Secretariat issued a bulletin reporting that the deputy foreign ministers of the Contadora and Support Groups met in our country and exchanged points of view on the way the cooperation prevailing among the eight countries could more adequately resolve the political and economic problems affecting these nations. "The conclusions they reached will be presented to the foreign ministers, who will meet in Rio de Janeiro, Brazil, in December of the current year," the Foreign Secretariat added.

They also exchanged information on the developments of the Central American situation and confirmed that the recent military and political events confirm the concern of the foreign ministers of the Contadora and Support Groups as expressed in both the Caraballeda message as well as their declaration dated 1 October 1986 that "Peace is Still Possible in Central America."

In these documents, the foreign ministers rejected the use of force and the use of policies that represents a violation of sovereignty, independence, and territorial integrity of any state in the region, and they affirmed that dialogue and political communication are the only ways to adequately resolve the conflict.

For his part, the Argentine representative reported to the meeting the recent events taking place in the South Atlantic and that President Raul Alfonsin had voiced Argentina's stand to President Miguel de la Madrid and other Latin American rulers. The foreign ministers of Argentina, Brazil, and Uruguay will meet in Uruguay on 2 November to evaluate the situation.

ACEVEDO'S REMARKS ON QUAKE AID 'INFURIATE'

PA011519 Mexico City EL NACIONAL in Spanish 28 Oct 86 p 11

[Article by Marta Solis: "A Storm in a Powder Keg"]

[Text] The Salvadoran Government has joined the voices slandering Mexico from the United States. We know that relations between neighbors are not easy and that, as happens with families, mistrust grows when third parties sow discord.

The remarks by Salvadoran Foreign Minister Ricardo Acevedo infuriate all of us. They not only infuriate the Government, which will surely adopt a moderate stance for the sake of diplomacy and the peace process in Central America, but also all Mexicans who are aware of the hardships the Salvadoran people are experiencing.

Many years of dictatorships, coup d'etats, and political and economic instability have forced hundreds of thousands of Salvadorans to leave their country. The war, which stems from inequalities and poverty, has aggravated suffering which spans generations. There is hardly a U.S. or Latin American city that does not have Salvadorans living there because they have been forced to flee. And although many have done so for economic reasons, many more have done so for political reasons. Their fatherland, their beloved Tom Thumb [pulgarcito] of Central America, is bleeding. The well-known "14 families" have exploited the people for many years. The large estate owners who seized all the arable land while millions of peasants suffered great hardships, have lived a life of luxury that is insulting even to less sensitive people. The military boot has been at their service. We repeat: The people have suffered untold humiliations. In only one night, a little more than 50 years ago, the rule at that time ordered the murder of over 15,000 peasants.

The Salvadoran people have not known tranquility because of the earthquakes and dictatorships. The practice of torture has been condemned by the entire civilized world and has been admitted even by the current ruler, who was elected in 1984 thanks to his promises of peace and economic improvement. We must admit that Duarte has tried to improve the situation (he himself was tortured once) but reality -- the omnipotence of the military and the omnipresence of U.S. interests -- has tied his hands and forced him to keep his country on top of a powder keg.

Salvadorans are now suffering as few people in the world suffer. Compounding their tragedy, this month's earthquake further aggravated the situation. Millions of Mexicans have shared the Salvadoran's sorrow and have given some of their possessions to try to help them. Our "moles" (topos) are there, amid the rubble, trying to rescue bodies which the authorities wanted to leave, despite the suffering of relatives who wanted to give them a Christian burial. The "moles" have even had to sign a statement exonerating the Salvadoran authorities of any responsibility should something happen to them during their humanitarian and voluntary task.

Now the foreign minister of that Central American country is accusing our Government of "politicizing" our people's spontaneous assistance! It is odd that a motion condemning El Salvador for human rights violations, which has been introduced repeatedly at the United Nations for years, should not so infuriate his Excellency, Ricardo Acevedo, now at a time when the United States is giving huge amounts of aid to the Nicaraguan counterrevolution, which has its rearguard in El Salvador; now that a mercenary who was on the airplane filled with weapons and war materiel for the "contras" which had left from a Salvadoran base and which the Sandinists had downed, is on trial in Nicaragua; now that all sorts of schemes are used to try to destroy the peace process of the Contadora Group, of which Mexico is a prominent member; and now that preparations are increasing to turn Central America into a battlefield with thousands of all kinds of weapons, and mercenaries and unconventional and conventional soldiers from national and foreign armies teeming in the region in a macabre race that could lead to an invasion of Nicaragua or widespread war.

NEPALESE, KENYAN AMBASSADORS PRESENT CREDENTIALS

FL031143 Mexico City NOTIMEX in Spanish 1958 GMT 2 Nov 86

[Text] Mexico City, 2 Nov (NOTIMEX) -- The ambassadors of Nepal and Kenya, (Bisham Pradhany) and (Sospejen Onunko), respectively, arrived today in this capital to present their credentials to the Mexican Government. The two new diplomats announced they will present their credentials to Mexico's authorities in coming days. They said they will try to further strengthen political, trade, and cultural relations with Mexico. The two diplomats were met at Mexico City's International Airport by protocol officials of the Foreign Secretariat as well as members of their respective embassies.

VANUATU ESTABLISHES DIPLOMATIC RELATIONS

FL311455 Mexico City NOTIMEX in Spanish 0442 GMT 31 Oct 86

[Text] The Mexican Foreign Secretariat, (SRE), has reported that Mexico and the Republic of Vanuatu have established diplomatic relations. The SRE said the two countries adopted the measure to strengthen cooperation, friendship, and understanding between the peoples of the two nations.

Relations between Mexico and Vanuatu will be based on the principles of the UN charter, especially in reference to sovereign equality of the states and free determination of the peoples. Vanuatu is a republic of 80 islands in the Pacific east of Australia.

GUATEMALA

URNG PROPOSES DIALOGUE IN MEXICAN EMBASSY

PA312153 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 31 Oct 86

[Excerpts] The Spanish Government will study any proposal from the constitutional government of Guatemala regarding a dialogue with guerrillas, a Spanish Foreign Ministry spokesman said in Madrid today. This is reported in an Associated Press dispatch. The guerrilla URNG [Guatemalan National Revolutionary Unity] sent a letter to President Vinicio Cerezo yesterday proposing a dialogue between them. In its letter, the URNG proposed the first meeting be held in the Mexican or Spanish Embassies in Guatemala to establish the groundwork for the talks at the highest level as well as the location, agenda, and date for the dialogue. [passage omitted]

Regarding this, the Mexican Embassy in Guatemala issued a statement saying the following: Regarding the press reports attributed to the URNG, the Mexican Embassy states: We have no official knowledge of any request in this regard. What exists are media reports which we view with interest, but Mexico certainly does not want to intervene in matters that are the exclusive concern of the Guatemalans. It is up to the Guatemalan Government -- with which we maintain great relations -- to issue an opinion and make a decision on the initiative that the URNG has made known through the communications media.

Spain Offers To Mediate Talks

PA310414 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 31 Oct 86

[Text] The Spanish Government has announced its formal desire to mediate in a possible dialogue between the Guatemalan Government and the guerrillas, according to dispatches from Madrid. The government of Felipe Gonzalez is offering to mediate during the talks prior to the dialogue, which would be held at the Spanish Embassy in Guatemala. If a government-guerrillas dialogue crystallizes through the Spanish Government's mediation, this would be the first political acitivity in Guatemala by the Spanish Embassy since the regrettable events in 1980. At that time, 40 peasants and students were burned alive in the embassy which they had occupied demanding respect for landholding rights in the northern cross strip [franja transversal del norte].

Guatemalan Foreign Minister Mario Quinonez Amezquita declined to comment on the guerrillas' proposal or the Spanish Government's offer to act as mediator. Quinonez Amezquita said it is President Vinicio Cerezo's responsibility to make statements or comments.

Church Volunteers Services

PA010204 Panama City ACAN in Spanish 2157 GMT 31 Oct 86

[Text] Guatemala City, 31 Oct (ACAN-EFE) -- The Guatemalan church today offered to mediate between the government and the guerrillas in the peace negotiations the rebels proposed on Wednesday.

Msgr Prospero Penados del Barrio, the capital city's archbishop, said every effort aimed at achieving peace is justified "even though sometimes all the efforts made are not enough."

"In this case, we have the example of the church in El Salvador, where Archbishop Arturo Rivera y Damas has been a mediator between the guerrillas and the government," Penados del Barrio went on. He added that "in an effort to seek a peaceful solution, the church could definitely mediate" in the dialogue that the rebel URNG proposed to Vinicio Cerezo's government last Wednesday.

According to Penados del Barrio, "it is an effort made to see if this very terrible problem of the guerrillas, which affects everyone with regard to the economy and progress, can be resolved."

The URNG has propsed to President Cerezo that preliminary talks be held in the embassies of Spain or Mexico with additional guarantees from the governments of France, Italy, Belgium, and the FRG.

According to the URNG, the initial dialogue would lay the groundwork for talks "at the highest level," and to this end they would request the Mexican Government's authorization that these talks be held in its territory. The archbishop of Guatemala asserted that "the (guerrilla) movement would neither be accorded the category of legitimacy nor be recognized" with this dialogue, "which is the fear that exists here."

"I think they are men, Guatemalans also, who deserve to be heard to see what it is they want. This does not mean one is either yielding or according them the category of a legitimate movement," Penados del Barrio stressed. He went on to describe the guerrillas as a "terrible evil, the cause of bloodshed and self destruction for Guatemalans," but he added that "in a democratic system they must be heard."

The prelate said he had no knowledge that Cerezo's government had had any previous contacts with the guerrillas "to reach this dialogue proposal." President Cerezo awaits a formal proposal from the URNG and hopes to appoint a delegate who will talk to the guerrillas to discuss the issue "seriously," an official spokesman said today.

MINISTER DENIES TRADE TIES WITH BELIZE RESUMED

PA310453 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 31 Oct 86

[Text] Guatemalan Foreign Minister Mario Quinonez Amezquita has said trade relations with Belize have not been resumed nor will they be resumed for the time being. He said what has occurred is the Minister of Economy lifted the ban on trade with Belize. This leaves the door open for trade, but at no time should this type of relation be taken for granted. He also said that, in fact, there have always been commercial relations between Guatemala and Belize to some extent because it is impossible to deny the commercial bridge represented by (Punta Borda) and the fact the people of the two countries travel back and forth.

The foreign minister was very evasive toward the press. He even refused to comment on the results of his trip through Central America, where he had gone in an effort to reactivate peace dialogue and the creation of the Central American parliament. He said that remarks will be made upon delivering the report of the trip to President Vinicio Cerezo.

COMMENTARY URGES GOVERNMENT TO REMAIN NEUTRAL

PA312328 Guatemala City EL GRAFICO in Spanish 31 Oct 86 p 9

[Editorial "War Is Knocking at the Door in Central America"]

[Text] The situation in Central America has deteriorated alarmingly in the past few weeks. Although we have not entered a phase of open-armed clashes, the tone for a war of words has been rising after the incident involving several U.S. mercenaries whose airplane was downed in Nicaragua. The trial in Managua against Hasenfus, the sole survivor of the incident, has contributed to catapulting the problem onto the front pages of all the newspapers of the world. Equally important, in this regard, is the signing of the bill by which the U.S. Government will give $100 million in aid to the Nicaraguan counterrevolutionaries. It is expected that, with this aid, armed operations will shortly be expanded in Nicaraguan territory. Therefore, the Sandinist government has beefed up its defensive measures.

The fact that officially it was reported the U.S. airplane Hasenfus was on had taken off from the Ilopango Military Airport has caused further strains in the already tense relations between El Salvador and Nicaragua, which are now even talking about breaking diplomatic relations. The Sandinist government has begun to receive large quantitites of weapons from the Soviet bloc, increasing the number of weapons it already has, and is getting ready for its defense. Concurrently, it is levying serious charges against Costa Rica, El Salvador, and Honduras, and this is prompting the fear of an en bloc break in the dialogue that could lead to peace. Within that context, Guatemala is playing a supposedly neutral role, which the government has labeled as "active." The term neutrality means to not lean towards any warring side or to intervene in any problem.

The fact is that all the efforts which our government has made so far to serve as mediator or as a catalyst in a situation that is already hot have been unsuccessful. The idea for a Central American parliament and the efforts to reactivate the Contadora Group have proven unsuccessful. At home, no issue could divide the Guatemalan family more than having our government adopt a stance for or against any of the warring sides because the feelings as well as sympathies are divided. In this regard, maintaining our neutrality in this conflict is best for the country, since the search for a peaceful solution is undoubtedly and chiefly up to the warring sides. Everything seems to indicate they already have a clear and defined stance and are not prepared to make any kind of concession or seriously sit down to discuss peace. It becomes a paradox that they talk of peace while they arm themselves for war. Unless a realistic solution is sought to this problem, what is at present a covert war will become an open conflict in which there will hardly be any winner. The price to pay is very high since it consists of the blood of thousands of innocent victims. In this regard, Guatemala must maintain its neutrality and not become involved in armed action for or against anyone, since that is the only way to keep the fire out in our own backyard.

HONDURAS

TROOPS MOBILIZE TO NICARAGUAN BORDER AREA

PA031609 Panama City ACAN in Spanish 1442 GMT 3 Nov 86

[Text] Tegucigalpa, 3 Nov (ACAN-EFE) -- The Honduran Armed Forces over the weekend mobilized important combat contingents to the eastern border with Nicaragua.

Army spokesmen explained the mobilization is due to the attack on two passenger buses 2 weeks ago and to the fierce fighting between the Sandinists and the counterrevolutionaries very near Honduran territory. The same sources confirmed that all the Honduran combat units are on alert in case at some moment the fighting unintentionally spreads to Honduran territory.

Meanwhile, the FDN reported that it killed more than 200 Sandinist soldiers in a post-winter offensive that began last week. The rebel spokesmen said the battles have been waged in Nicaraguan territory, specifically in Jinotega and Nueva Segovia Departments and in locations near the border with Honduras. They also denied international press reports that said some battles were waged in Honduran territory when Sandinists entered it in pursuit of the rebels.

"We do not act in Honduras but in Nicaragua. Our troops are now on the offensive and not on the defensive, as occurred 4 months ago, when some of our contingents did seek refuge in Honduran territory and subsequently returned to Nicaragua through other routes," they added.

NICARAGUA

UNO COMMUNIQUE PROTESTS SANDINIST COMMUNIQUE

PA010325 San Jose LA NACION in Spanish 29 Oct 86 p 50-a

[Communique issued by the Nicaraguan Opposition Unity, UNO, in the form of a paid advertisement — dated 27 October]

[Text] Communique

The Terrorist Inclination of Sandinism

The leadership of the Nicaraguan resistance in exile, is united today in the Nicaraguan Opposition Unity (UNO) and has been maintaining the Sandinist government has distorted its pluralist, democratic origin and replaced it with the political-military group called Sandinist Front. As a result of this distortion, it has tried to expand to neighboring territories based on the "international proletariat" doctrine, which does not acknowledge national limits, foreign sovereignties, or an authentic respect for the self-determination of peoples.

With great cynicism and nerve, the Sandinist government's embassy in San Jose, Costa Rica on Monday, 27 October, published a communique in the form of a paid advertisement rejecting statements about the expansionist behavior of the government of Daniel Ortega.

The communique of the embassy of the communist government of Managua stated Nicaragua advocates a nonintervention policy toward the affairs of other states and is interested in creating an atmosphere of trust and respect with Costa Rica.

Central America has witnessed how the leaders and troops of the FMLN arm themselves and use Nicaraguan territory in their struggle against the constitutional Government of El Salvador. Honduras saw the resurgence of the Cinchoneros terrorist group, which has been dismantled and eliminated. Soviet-made weapons, the source of which is clear, were seized. Costa Rica has been affected by the meddling of that government [Nicaragua] in various labor union problems in the past years.

It has also been involved in actions that clearly violated Costa Rican sovereignty such as:

-- the explosion of a bomb in SAHSA [Honduran Air Services] offices,

-- the kidnapping of Argentine Hector Frances,

-- the explosion of a bomb in a San Jose parking lot in which Cuadra Clachar, Sandinist agent who carried the bomb, was killed,

-- the terrorist attack against engineer Alfonso Robelo and other leaders in exile,

-- the murder of two civil guardsmen in Las Crucitas,

-- violation of the Costa Rican diplomatic mission in Managua when Jose Manuel Urbina Lara was kidnapped,

-- violations against Costa Rican territory by Sandinist Army troops,

-- and training of Costa Ricans in terrorist bases located in Managua under the command of Libyans and Cubans.

However, the Costa Rican Government was moved to present an official and direct charge when Sandinist leaders were linked to a protest by peasants in Central Park a few weeks ago and by the training of Costa Rican communists and communists of other nations by the "Mora Canas" terrorist column along the border of Rio San Juan Department.

UNO reiterates the terrorist inclination of the communist Government of Nicaragua, which is the epicenter of violence, drug trafficking, and subversion in the Central American isthmus. UNO also expresses its solidarity with the Costa Rican people and government, which are victims of an ideological, political, and military attack by the Sandinist regime.

October 27, 1986
Nicaraguan Opposition Unity (UNO)
Secretariat of Information and Press

TIRADO LOPEZ TO HEAD DELEGATION TO CUBA

PA011312 Managua Domestic Service in Spanish 0300 GMT 1 Nov 86

[Text] The Secretariat of the FSLN National Directorate reports the following: Commander of the Revolution Victor Tirado Lopez, member of the FSLN National Directorate, will head an FSLN delegation that will participate in the main ceremony to be carried out by the Communist Party of Cuba, PCC, on 3 November in Havana, Cuba. The ceremony will mark the 25th anniversary of the FSLN and the 10th anniversary of the death, in combat, of Commander Carlos Fonseca, leader of the popular Sandinist revolution.

The delegation is also comprised of members of the Sandinist Assembly: Flor de Maria Monterrey, Edgardo Garcia, Lucio Jimenez, and Daniel Nunez.

[signed] Secretariat of the FSLN National Directorate.

RAMIREZ MEETS DELEGATES, ATTENDS MACHEL FUNERAL

PA021712 Panama City ACAN in Spanish 1435 GMT 2 Nov 86

[Text] Managua, 2 Nov (ACAN-EFE) -- Returning from the funeral of Mozambican leader Samora Machel, Nicaraguan Vice President Sergio Ramirez said "they [not further specified] identify with the African people's struggle."

Ramirez, who returned yesterday, said relations between African countries and Nicaragua, and the problems those countries are currently experiencing, were discussed by the chiefs of state of the African nations. Ramirez Mercado headed a government delegation to the funeral ceremony of Mozambican leader Samora Machel.

Referring to the subjects discussed during the Eighth Nonaligned Summit in Zimbabwe, Ramirez said to newsmen: "We identify with these people, members of the Nonaligned Movement."

After Machel's funeral, the Nicaraguan vice president met with the chiefs of state of the Congo, Ghana, Tanzania, Zimbabwe and Angola. The Nicaraguan leader also met with PLO representative Yasir 'Arafat and with high government representatives from the USSR, France, Spain, Norway, Sweden, Italy and Algeria.

LEADERS PAY TRIBUTE TO FSLN DURING CEREMONY

FL040146 [Editorial Report] Havana Radio Rebelde Network in Spanish at 2300 GMT on 3 November begins live or recorded coverage from the Far Universal Hall of the ceremony commemorating the 25th anniversary of the founding of Nicaragua's FSLN and the 10th anniversary of the death of Carlos Fonseca Amador.

The announcer indicates the main speakers are Jose Ramon Machado Ventura, member of the Communist Party of Cuba Politburo and Secretariat, and Commander of the Revolution Victor Tirado, FSLN National Directorate member.

The ceremony begins with the Cuban National Anthem and is followed by another anthem, presumably the Nicaraguan National Anthem. An unidentified speaker opens the event. This is followed by a hymn dedicated to Carlos Fonseca Amador. The announcer then states the ceremony is "presided over by leaders from the party, state, Union of Young Communists, mass organizations, and ICAP [Cuban Institute of Friendship with the Peoples], but no further identification is provided. He also indicates Nicaraguan Ambassador to Cuba Luis Enrique Figueroa is atending the ceremony. There is no mention as to whether Cuban President Fidel Castro or Far Minister Raul Castro are present.

Tirado is introduced and begins outlining the historical background of the FSLN and the life and death of Carlos Fonseca. He compares the Nicaraguan Revolution to Cuba's revolution. "Cuba was the inspiration that directed the forging of men like Carlos Fonseca, FSLN founder," says Tirado. "The imperialist direction, of which we have been the object for 5 years," Tirado says, "has entered a very dangerous stage." He notes the aid the United States has approved for the Nicaraguan contras. Tirado notes that Cuba has called on Central American countries to avoid submitting to U.S. interventionist policies. "Our neighboring countries have been called on because they have been made to believe that we are destabilizing Central America. In reality, Nicaragua is neither an economic, social, nor a military power. It cannot destablize any country."

The Nicaraguan leader gives the capture of Eugene Hasenfus as an example of U.S. intervention and notes that there is a danger of a U.S. invasion and he compares this to U.S. involvement in Vietnam. "We are making great efforts to prevent the war from becoming generalized," Tirado says. "We are seeking a political solution that will bring peace to Nicaragua and Central America," he says. Tirado compares Cuba and Nicaragua. "Nicaragua and its Sandinist Peoples' Revolution, as well as the Cuban revolution, are making a great effort for Latin American unity," Tirado says. "Cuba and Nicaragua have the same cause. Our ties are old and are based on a struggle for a just cause based on principles," he says.

Then Cuban Politburo member Machado Ventura praises Nicaragua's struggle with Somoza and against the "dirty war" practised by the United States. He also outlines Nicaraguan history leading to the creation of the FSLN.

"We call on all the peoples of the world, democratic and progressive governments, men of clean conscience, intellectuals, workers, peasants, students, and religious leaders to give their support to Nicaragua, condemn the policy of aggression and the war the Yankee government is unjustly carrying out against Sandino's fatherland," he asserts. Machado Ventura's speech is followed by applause and then music. The ceremony concludes at 0015 GMT and the network returns to its regular programming

VEIGA PARTICIPATES IN WFTU NEWS CONFERENCE

FL312313 Havana Radio Reloj Network in Spanish 1902 GMT 31 Oct 86

[Text] Central Organization of Cuban Trade Unions [CTC] Secretary General Roberto Veiga has asserted that Latin American workers are expressing more and more their opposition to the arms race and advocating peace on earth. Veiga participated in a news conference granted in Moscow by the delegation from the Leaders of the World Federation of Trade Unions [WFTU] who traveled to the USSR capital to deliver a message of the 11th Labor Union International Congress on problems of peace and disarmament to top Soviet leader Mikhail Gorbachev.

Veiga, who is also vice president of the WFTU, said the problems faced by Latin American workers are: increasing unemployment, hunger, illiteracy, and illnessess. Veiga indicated that those problems will not be solved if a lasting peace is not achieved.

POLITBURO-SECRETARIAT EXAMINES PARTY PROGRAM

FL031356 Havana Tele-Rebelde Network in Spanish 1200 GMT 3 Nov 86

[Text] In a joint meeting of the Party's Politburo and Secretariat of the Central Committee, presided over by comrade Fidel Castro Ruz, first party secretary, and held on 30 and 31 October, participants examined the results of the study of more than 8,000 proposals on modifications by addition and/or deletion, as well as merging paragraphs and new formulations, to the draft of the Party program, submitted by Party nuclei, Local Committees of the Union of Young Communists [UJC], and workers' and mass organizations' assembly meetings.

In light of the proposals that were received, the Politburo and Secretariat of the Central Comittee decided it was convenient to modify 114 of the total 939 paragraphs targeted for modificiation, which were fully examined during the joint meeting, taking into consideration the 923 in the original text of the program draft approved by the Third Party Congress, and the 16 new paragraphs added to the draft as a result of the process of discussion at the local level.

The current version of the draft emanating from this broad discussion by the Party and people, in which members of the Party and UJC, virtually all workers in the country, and members of mass organizations participated, as well as the Party's evaluation, will again be analyzed in coming days by Third Congress delegates in their respective provincial bodies.

The extraordinary session of the Third Party Congress, scheduled for the end of November and beginning of December, will approve the final text of the Party program.

SOVIET DELEGATION ARRIVES FOR CELEBRATIONS

PA031712 Havana International Service in Spanish 1600 GMT 3 Nov 86

[Text] Miyervaldis Raman, deputy chairman of the USSR Council of Ministers, arrived last night at this capital at the head of an official Soviet delegation that will participate in the festivities that will take place in Cuba on the occasion of the 69th anniversary of the triumph of the Great Socialist Revolution of October. Raman, who is also deputy of the Supreme Soviet of the Soviet Socialist Republic of Latvia, was received at Jose Marti Airport by Zoilo Marinello, president of the Cuban-Soviet Friendship Association, and by Eva Seoanes, vice president of the Cuban Institute of Friendship with the Peoples.

WELDING ADVISER DISCUSSES MATANZAS POWER PLANT

PA311540 Havana International Service in Spanish 0000 GMT 31 Oct 86

[Text] The thermonuclear plant being built in Cuba's Matanzas Province, located approximately 100 km from Havana, is worth $200 million. It should generate over 330 megawatts of electricity when operating at full capacity. Marianela Samper interviewed French technician (Giner Germinal) who is in charge of training the welders working on the project.

[Begin recording] [Samper] We are talking with French technician (Giner Germinal). He is the adviser on the welding work being done at the Matanzas thermonuclear plant. Can you give us your views on the training of Cuban technicians in this field?

[Germinal] I arrived here in August 1984. We set up a school. Approximately 60 or 70 welders went to that school to learn how to do high pressure welding in the boiler room. There are 11,600 [words indistinct] welds, of course, all of this is high pressure welding. The welders must be rated on depth, diameter, and base metals, as there are different metals in the boiler room.

[Samper] Do the welders learn quickly? Do they assimilate well; can they do high quality welding?

[Germinal] Yes, I never had any problem. Every welder spent 6 or 7 weeks in the school. Each group was composed of approximately 10 welders. They spent 6 weeks [passage indistinct]

[Samper] Are you also involved in checking the quality of the work or the (?quality) of the welds?

[Germinal] Sure. The control is [word indistinct] gamma rays, and all of that.

[Samper] How is quality checked?

[Germinal] When a weld is completed, we first inspect it visually. If it looks good, we then take x-rays [passage indistinct] 192. Following the x-rays, if flaws are noted that are outside tolerances, they are repaired.

[Samper] How do you feel about working on this project here in Cuba?

[Germinal] I feel very good; I am almost a Cuban. I have been here for 2 years.

[Samper] What can you tell us about work relations?

[Germinal] They are perfect. To date, we have never had any sort of problems with anyone. Everything has gone perfectly.

[Samper] How long do you plan to be here?

[Germinal] I will go on vacation soon. I am (?not) expected to return until April [words indistinct] until all the welding of the [word indistinct].

[Samper] After that, will you return to Cuba with another contract?

[Germinal] That does not depend on me.

[Samper] Would you do so if you had the opportunity?

[Germinal] Of course, I would be very glad to. [end recording]

HONDURAS' AZCONA HAS NO 'PRESIDENTIAL AUTHORITY'

PA021414 Havana International Service in Spanish 2300 GMT 1 Nov 86

["Our America" commentary read by Manolo Ortega]

[Text] It is being said that Honduran President Jose Azcona has no authority at all and that the real power is in the barracks. The national situation of that Central American nation, one of the poorest of Latin America, indicates that such allegations are not incorrect. While Azcona proclaims that his country will not serve as a base to support Nicaraguan-born counterrevolutionaries, thousands of these counterrevolutionaries have all but occupied Honduras' southern border region sowing terror and uncertainty among the local population.

The Honduran High Command is not unaware of this problem and their complicity has earned for them juicy dividends from the U.S. Treasury, the main provider of resources for the bands of former Somozist guards.

Many Hondurans believe that Azcona's most important objective is to remain in power without problems with the military so that he can secure the $7 million which the Honduran state gives to its presidents. However, things are going beyond giving support to the groups that attack Nicaragua. Some weeks ago, the people discovered that the Security High Command [Altos Mandos de Seguridad] had closed the borders to citizens from 51 countries that it characterized as either socialist or terrorist.

The measure affects almost one-third of the world's countries. The military implemented this measure without consulting the executive branch. The resolution was signed by Captain Jeronimo Duran Medina, of the immigration office of San Pedro Sula, the country's second largest city. According to this official, the measure was decided by his superiors and was adopted for security reasons. The measure affects Palestinian and Cuban citizens, as well as citizens from socialist European nations and from some Arab states, among others. According to the resolution, Honduran Communists can return to the country only if they are not linked to any armed movement.

It is odd that the foreign secretary's office, the department to which this type of decision corresponds, has said nothing about this, despite the fact the issue affects Honduras' international relations, especially with several socialist countries with commercial and diplomatic ties.

A separate paragraph outlines discriminatory measures against Nicaraguan citizens, and restricts their entry into Honduras, a fact which implies another element of tension in Central America, very much in line with U.S. aspirations to heat-up the regional climate.

If the Honduran Foreign Secretariat has said nothing in this regard, much less has been said by Jose Azcona, who apparently is not concerned with arbitrary and unpolitical measures that put in doubt his presidential authority.

GUATEMALAN REBEL OFFICIAL ON DIALOGUE PROSPECTS

PA020440 Havana International Service in Spanish 0000 GMT 2 Nov 86

[Interview with (Sofia Ruiz), Havana representative of the Guatemalan National Revolutionary Unity by (Ramon I. Chong); date and place not given -- recorded]

[Text] [Chong] The likelihood of a peace dialogue between President Vinicio Cerezo and the URNG [Guatemalan National Revolutionary Unity] has led us to interview (Sofia Ruiz), member of the URNG representation in Cuba. (Sofia), we would like you to explain to us what this means for the Guatemalan people at the present time.

[Ruiz] In first place, the statement issued by the URNG General Command resulted from the statements Vinicio Cerezo made during his tour of European countries. We feel that it is important to take Vinicio Cerezo at his word and to raise the possibility of holding this dialogue to lay the groundwork of what could become the path to a real process of democratization. It means picking up the banners that our people are raising in view of the situation in Guatemala.

[Chong] What is the URNG's point of view regarding the realization of this dialogue?

[Ruiz] In view of the alleged hopes created by the Christian Democratic government of beginning a journey toward democratization, the URNG demands -- in view of these alleged hopes -- the possibility of holding a dialogue in conditions whereby... [changes thought] where the groundwork would be laid to develop such dialogue.

[Chong] Do you think the military will pose obstacles toward holding this dialogue?

[Ruiz] In the open letter issued by the URNG General Command, mention is made of the contradictions that were created by the previous statements by [Foreign Minister] Quinones Amezquita. They created an internal climate of tension and contradiction because we must start from the fact that the Guatemalan Army does not agree with this dialogue proposal. We think this will lead to an exacerbation of contradictions in the Government's policy.

[Chong] Can you elaborate on the proposals to made by the URNG?

[Ruiz] In previous proposals, the URNG has stated that to lay the groundwork for democratization, it is necessary to begin with a reorganization of the repressive corps. In other words, the corps -- that is, the military structures -- must be at the service of the people's interests; the civil self-defense patrols must disapperar; and a response must be given to the most heartfelt economic demands of the popular sectors. In addition, respect for lives, for human rights, would be an elementary starting point to begin the march toward democracy.

[Chong] Thank you very much.

FRG DELEGATION VISITS SANTIAGO DE CUBA

FL310259 Havana Television Service in Spanish 0100 GMT 31 Oct 86

[Text] An FRG delegation, headed by Heinz Westphal, vice president of the Bundestag has arrived in Santiago de Cuba. The delegation arrived in Cuba on 28 October at the invitation of the National Assembly of the People's Government.

Today, the delegation visited various places of historic and economic interest and met with representatives from the Julio Antonio Mella Higher Politechnical Insitute and the Celia Sanchez Manduley textile plant.

The FRG group is composed of deputies from the Christian Democratic, Social Democratic, Liberal, and Green Parties and of other parliament officials. Westpnal showed special interest in Santiago de Cuba's history and the participation of its people in national liberation actions as well as its current socio-economic development.

Grants Press Conference

FL011910 Havana Television Service in Spanish 1800 GMT 1 Nov 86

[Text] Heinz Westphal, vice president of the Bundestag has said in a news conference in Havana that there was a tremendous possibility for achieving agreements on nuclear disarmament at the Reykjavik summit and, if these were not achieved, it was because of U.S. President Ronald Reagan's insistent position on maintaining the strategic defense initiative in space.

Westphal is heading a West German delegation visiting Cuba. The delegation is composed of deputies from the Christian Democratic, Social Democratic, Liberal, and Green parties. Among other considerations, Westphal said the Nonaligned Movement countries will have more influence each time on the international panorama.

The vice president of the Bundestag is a member of the Social Democratic Party which is hoping to triumph at the 25 January elections. During their tours of Cuban industrial development, agricultural-livestock, and scientific centers, the parliamentarians noted economic and social achievements and they expressed interest in promoting relations with the Cuban Government.

Meets Rodriguez, Malmierca

PA022013 Havana International Service in Spanish 1600 GMT 2 Nov 86

[Text] The FRG parliamentary delegation headed by its vice president, Heinz Westphal, who arrived in Havana on 28 October ended their official visit to Cuba today.

During their stay, the FRG legislators were received by Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers; Minister of Foreign Relations Isidoro Malmierca; and Ernesto Melendez, minister president of the State Committee for Economic Cooperation. Westphal and his retinue attended the 10th International Ballet Festival in Havana, visited the Biotechnological Institute, a museum, the historical sector, and the Los Naranjos Genetic Project. They also traveled to the Santiago de Cuba province, where they toured socio-economic development areas and places of historical and recreational interest.

DELEGATION BID FAREWELL BY FRELIMO LEAVES MAPUTO

FL1310240 Havana Television Service in Spanish 0100 GMT 31 Oct 86

[Text] The official Cuban and Nicaraguan delegations attending late Mozambican president Samora Moises Machel's funeral left Maputo today according to our special correspondent Nelson Notario Castro.

At the Maputo international airport, Jorge Risquet Valdes, Politburo and Party Central Committee Secretariat member, and Nicaraguan Vice President Dr Sergio Ramirez Mercado, were seen off by Frelimo [Mozambique Liberation Front] Politburo member Alberto Chipande and other Mozambican leaders.

Before leaving, Risquet Valdes met with Cuban internationalists working in the sister African country to whom he conveyed greetings from Commander in Chief Fidel Castro.

Havana Buries Machel Doctors

PA021955 Havana International Service in Spanish 1600 GMT 2 Nov 86

[Text] General of the Army Raul Castro, the second secretary of the Communist Party of Cuba and minister of the FAR, was present on Saturday at the funeral services of internationalist doctors Enrique Betancourt and Ulises La Rosa, who died in the plane crash in which Mozambican President Samora Machel was killed.

Betancourt and La Rosa, who were personal doctors of the late Mozambican president, were buried in the FAR's pantheon at the Colon Cemetery in Havana after receiving the corresponding military honors.

Division General Rogelio Acevedo, chief of the Far Central Political Directorate [title as heard], said that the death of these two companeros while complying with their honorable internationalist duties confirms once again the Cuban people's willingness to give their lives for a just principle, to help other peoples in their struggle for liberty, independence, and for man's total dignity.

RISQUET MEETS ANGOLANS DOS SANTOS, SWAPO'S NUJOMA

FL010203 Havana Television Service in Spanish 0100 GMT 1 Nov 86

[Text] Angolan President Jose Eduardo dos Santos today met with Communist Party of Cuba Politburo member Jorge Risquet Valdes. Dos Santos and Risquet discussed international affairs, especially those of the southern African region. The Cuban leader also met in Luanda with Namibia's SWAPO [South West African People's Organization] President Sam Nujoma. Risquet reiterated Cuba's strong support for the independence struggle of the Namibian people.

COMMENTARY ON RETURN OF HAITIAN TONTONS MACOUTES

PA011606 Havana International Service in Spanish 2300 GMT 31 Oct 86

["Note" feature read by Maruja Garcia]

[Text] One of the most important demands of the Haitian people, made long before the National Council of Government took power, has been the dismantling of the repressive group known as tontons macoutes, created by former dictator Francois Duvalier. The group was in charge of bringing opposition demonstration to a bloody close.

Shortly after being inaugurated on 7 February, General Henry Namphy ordered the formal dismantling of the tontons macoutes. Nevertheless, most of the weapons remained in the hands of people linked to the former regime. Actually, at most, the National Council of Government has disarmed small chiefs who did not represent a real threat. However, the well-known culprits are either already walking Haitian streets again, or have left the country with the complicity of the new authorities.

Several Haitian political parties have manifested their concern about the reappearance of this paramilitary group. A communique from the Haitian Democratic Forces Coordinating Board [Comite de Enlace de Fuerzas Democraticas Haitianas] reports that the tontons macoutes are training at the home of Herve Boyer, well-known Duvalierist.

With the frightening warning that the tontons macoutes group and some Duvalierist officials are trying to regain power, and are even planning to participate in the 1987 elections, the Haitian Democratic forces have demanded in Port-au-prince the formation of anti-repressive people's organizations. Furthermore, the reactivation of repressive groups in Haiti restates the necessity of doing justice and repairing damages done to families who endured 29 years of Duvalierism.

TRADE RELATIONS WITH MONGOLIA, SRV REVIEWED

PA311622 Havana International Service in Spanish 0000 GMT 31 Oct 86

[Interview given by (German Callejas), deputy director of the Office of Trade Policies with Socialist Asian Countries of the Cuban Foreign Trade Ministry, to correspondent Julio Dominguez -- date and place not given -- recorded]

[Text] [Dominguez] How are trade relations with Mongolia?

[Callejas] Comrade Dominguez, we could point out that before the triumph of the revolution, we did not have any relations with Mongolia. On 7 December 1960, we began commercial and diplomatic relations. In that regard, we signed trade and payments agreements and the trade exchange protocol. Although the amount of trade with Mongolia is not large, it has been growing. It could exceed $12 million in the 5-year period 1986-1990.

As for the Cuban side, we export to Mongolia sugar, sports equipment, and caramel; whereas Mongolia supplies us with lambskins, leather apparel, cow leather, and other apparel. We may add that trade with Mongolia has special characteristics, such as a freeze since 1975 on the prices of products exchanged. This has guaranteed the continuation of exchange relations. In sum, we can say that, although trade with Mongolia is limited because of the conditions under which it is taking place, it is beneficial to the two countries. Likewise, trade volume may increase in the future.

[Dominguez] What are the characteristics of our trade relations with Vietnam?

[Callejas] I think that to discuss this relationship we should view two phases. There is the first phase from 1961 to 1977, during the war which U.S. imperialism imposed on Vietnam; and then there is the second phase, from 1978 to 1985, the period that followed the war and the reunification of the country in 1975. During the first phase, the exchange volume was kept at a low level. Cuban exports consisted of annual sugar shipments of 10,000-15,000 tons.

In exchange, we received some quantities of [word indistinct], wickerwork and rubber sandals, within Vietnam's possibilities. From 1964 to 1967 prices were frozen. Sugar was given a special price, which, in most cases, was far below the international market prices. During the second phase, when the war ended, conditions more favorable to developing trade were created. Thus, the volume of exchange increased. Likewise, the two sides' products were diversified.

In regard to Cuban exports, sugar continues to be the main staple. However, in recent years, exports have been expanded to other products, such as textiles, medicines, and printing and writing paper. Over 13 new products have been included in Vietnam's exports, including rice, ornamental glass, natural rubber, tires, bicycle inner tubes, and electric engines. It is also worth noting that Vietnam entered CEMA in 1978. Therefore, from that year on Vietnam's trade with Cuba has been based on the guidelines issued by that organization.

ALARCON BEGINS OFFICIAL VISIT TO SPAIN

For Spanish reportage on the visit of Deputy Foreign Minister Alarcon to Spain, see the 4 Nov issue of the Western Europe DAILY REPORT.

BARBADOS

TRADE DEFICIT FOR FIRST FIVE MONTHS INCREASES

FL021730 Bridgetown CANA in English 2208 GMT 1 Nov 86

[Text] Bridgetown, Barbados, Nov 1, CANA -- Barbados' trade deficit for the first five months of this year widened 12.8 per cent to BDS 242 137 dollars (one BDS dollar -- 50 cents U.S.) over the same period last year, a government report said. The trade deficit for the first five months of 1985 amounted to 214,669 dollars.

Total exports were down from 300,785 dollars last year to 278,399 dollars this year, while domestic exports for the corresponding five-month periods showed a slight increase. Total imports rose from 515,454 dollars last year to 520,536 dollars for the corresponding 1986 five-month period.

A Central Bank report earlier this week said domestic exports for the first half of the year were 3.6 percent below last year's depressed level. It did not give corresponding figures but said exports to the Caribbean region were down 18.4 per cent, primarily because Trinidad and Tobago maintained its restrictive licencing requirements for Caribbean Community (Caricom) goods.

JAMAICA

MINISTRIES DISCUSS IMPROVED TRADE WITH HUNGARY

FL311735 Kingston THE DAILY GLEANER in English 15 Oct 86, p 14

[Text] Mr. Ferenc [name as published], director in the Hungarian Foreign Trade Ministry, and Mr. Geza Erog, director in the Hungarian Foreign Trade Bank visited Jamaica recently and held meetings with representatives of EX-IM Bank, Bank of Nova Scotia; the Ministries of Industry and Commerce; Foreign Affairs and Foreign Trade; JEA; JMA [no further expansion provided] and the Jamaica Chamber of Commerce.

The purpose of the visit was to discuss improved trade possibilities between Jamaica and Hungary, in particular, through the utilization of the line of credit of US$22 million being made available to Jamaica by the Hungarian Government.

Matters discussed included information on the availability of funds for importing raw materials, spare parts and consumer goods. Terms of utilization, bank payment negotiations and transportation facilities were also discussed.

PNP TO BOYCOTT ELECTIONS UNTIL NATIONAL POLL HELD

FL292154 Bridgetown CANA in English 1645 GMT 29 Oct 86

[Text] Kingston, Jamaica, Oct 29, CANA -- The People's National Party (PNP) will boycott by-elections until a national poll is held, leader Michael Manley said. Manley was responding to a proposal by THE GLEANER newspaper to facilitate the opposition's return to parliament.

Until earlier this year when two members defected, the Jamaica Labour Party (JLP) held all 60 seats in the House of Representatives because of the PNP's boycott of the December 1983 elections.

In an editorial Monday, THE GLEANER suggested that the two now independent MP's -- ex-Tourism Minister Anthony Abrahams and Anthony Wedemire -- should resign their seats and leave them open for by-elections.

Seaga's JLP should then not contest the seats, THE GLEANER suggested, allowing Manley, the PNP caretaker for the east Kingston constituency which Abrahams holds, and party chairman P.J. Patterson, whose former south-east Westmoreland seat Wedemire now occupies, return to the house unopposed.

In a statement here, Manley said the suggestion was wholly inappropriate as it would represent a cosmetic act designed to conceal the real problem affecting the nation and its democracy. The problem, Manley said, did not begin with the absence of the opposition from parliament. The problem begins with the fact that the country has a government which has no popular mandate, he declared.

Manley's PNP badly trounced Seaga's JLP in local elections three months ago. Manley referred to what he saw as an act of political corruption in 1983. He recalled the PNP charges that an outdated voters' register was used, that up to 100,000 new eligible voters were disenfranchised, and that the election was called in breach of a solemn agreement concerning electoral reform and in circumstances where the reforms were not in place.

To suggest that that profound group of problems could be solved by having two more members of parliament for whom nobody ever voted reflects a total failure to grasp the nature of the political crisis, he declared.

...It is only when a general election is called that we will have restored our democracy in the spirit and the letter. At that time the PNP will contest all 60 seats, he added.

Manley said his party did not regard the present parliament, including Prime Minister Seaga, as having any moral or political authority to hold their offices.

TRINIDAD AND TOBAGO

CSO REPORTS DEVALUATION HELPED ECONOMY

FL292157 Bridgetown CANA in English 1737 GMT 29 Oct 86

[By Debra Ransome]

[Text] Port of Spain, Trinidad, Oct 29, CANA -- Trinidad and Tobago has reported some success in adjusting to the falling price of oil, but the Central Statistical Office [CSO] has warned it will take time for other sectors of the economy to take up the slack.

A review of the country's finances between 1979 and 1985 showed some success in improving foreign exchange reserves, and considerable success in cutting the current account deficit from a 1983 high of nearly 2.5 billion dollars (one TT dollar -- 27.7 U.S. dollars) to less than 200 million last year.

The CSO reported foreign exchange reserves plummetted between 1982 and 1984 from some 7.2 billion dollars to around 2.8 billion but the devaluation last year helped arrest the decline and contributed to an increase in reserves which stood at a fraction under 3.6 billion dollars last year.

The review reported an increase in the country's earnings from tourists and foreign students, from less than 210 million dollars in 1983 to nearly 240 milluon dollars last year. Trinidad and Tobago has been putting more emphasis on its tourist industry to overcome the finance gap created by the sharp fall in oil prices, and to replace jobs lost as a result of the decline.

But the CSO warned against expecting any swift answers. It will take some time before activities in other sectors of the economy step up sufficiently to offset the decline in the petroleum sector, the CSO said.

Already the fall in prices is reflected in the extent to which petroleum dominates the economy of the country. The CSO said that in 1982 petroleum exports accounted for 84 per cent of total exports, but by last year this contribution had fallen to less than 80 per cent.

The review complained of difficulties it has encountered in trying to measure direct investment capital employed in the economy. These difficulties centred mainly on the failure of businesses to respond to the CSO's survey.

CABINET SAID DIVIDED OVER BRUNSWIJK REBELS

PM031925 Amsterdam DE VOLKSKRANT in Dutch 29 Oct 86 p 3

[Unnamed "own correspondent" report: "Surinamese Cabinet Deeply Divided Over Action Against Brunswijk"]

[Text] Paramaribo -- Conflict has arisen in the Surinamese cabinet over the political and military line to be followed against the rebel group of Ronnie Brunswijk in eastern Suriname. Prime Minister Radhakishun is in favor of a settlement with the rebel group, while a faction under the leadership of Foreign Minister Henk Herrenberg wants to go on waging an unyielding war against the rebels. There has even been talk of a possible break in the cabinet soon.

Prime Minister Radhakishun is irritated by the shortage of information from the Army leadership about the course of the fighting in eastern Suriname and about the precise numbers of dead and wounded, especially among the civilian population.

He is angry about the murder by the military of young maroons [bosnegers] suspected of sympathizing with Brunswijk. The prime minister does not wish to accept any political responsibility for these deaths.

The Radhakishun faction also thinks that Herrenberg should resign because he has spent a long time abroad without the knowledge or approval of the cabinet. The self-willed behavior of the foreign minister, who was for a long time personal adviser to Army leader Bouterse, has given rise to growing irritation among some of his colleagues ever since the formation of the Radhakishun cabinet. They also consider that Herrenberg is unsuitable to reopen talks with the Netherlands about the restoration of relations and the resumption of development aid. His controversial links with the cocaine trade are now being used against him.

According to reports Prime Minister Radhakishun summoned his foreign minister to criticize his foreign trips, which are considered to be unnecessary and also expensive. In the period since September, during which Herrenberg has been absent, Suriname's last ambassador to The Hague, Henk Heidweiler, succeeded Herrenberg as personal adviser to Bouterse. Heidweiler is considered to be a pragmatist who wants nothing to do with radical policies toward foreign countries and toward the Netherlands in particular.

The hostilities between Brunswijk and the Surinamese Army have escalated to such an extent that a natural barrier now exists between the two sides. Brunswijk has damaged the bridge on the Cottica River so badly that communications between Paramaribo and the eastern towns of Moengo and Albina were practically broken yesterday. On one side of the river are the Brunswijk's troops and on the other Bouterse's units.

The bridge is only 5 km from the mining town of Moengo and 95 km from Paramaribo. The neighboring bridge which belongs to the Suralco mining company, is still intact. It was not clear yesterday whether civilians in the area are being allowed to use it. Large numbers of people on the move were stranded by the bridge Monday and Tuesday [27 and 28 October].

In Stolkertsijver near the Commewijne River bridge Brunswijk and his Jungle Commando were involved in fighting with Bouterse's soldiers. One member of the Brunswijk group is said to have been killed. The fighting took place 50 km from Paramaribo on the road to Moengo. Stolkertsijver has been reinforced with a garrison by Bouterse because the bridge over the Commewijne is viewed as a strategic key position in the defense of the densely populated region of greater Paramaribo.

WORKERS EVACUATED FOLLOWING BRUNSWIJK GANG RAID

FL312230 Paramaribo International Service in English 1730 GMT 31 Oct 86

[Text] A large part of the work force employed at the Patamacca Agriculture Company has been evacuated to Paramaribo because the management cannot guarantee their safety. Four weeks ago, the Oil Palm Company was burned down by members of the Brunswijk Gang, who also took some staff members hostage but were later released.

Patamacca employs over 800 people whose jobs are now in danger, and the near future of the company cannot be determined. This issue was discussed at a meeting with the workers last Wednesday [29 October]. The workers will, however, be paid until the end of December. What happens after that depends on the development in the Patamacca area. These developments will decide when production could be resumed.

BOUTERSE EYES ECONOMIC BOOST FROM LIBYA, IMF

FL011530 Bridgetown CANA in English 1401 GMT 1 Nov 86

[By M.Z. Ali]

[Text] Paramaribo, Suriname, Nov 1, CANA -- Suriname's dismal economic landscape has brightened somewhat with the important bauxite industry showing renewed faith in the country and the International Monetary Fund (IMF) apparently now willing to offer some economic support.

The country's two bauxite producers, Suriname Aluminum Company [Suralco] and Billiton Company of Suriname have just announced plans to invest up to 160 million dollars in the industry here over the next five years, though not without some belt-tightening.

Meanwhile, Finance Minister Subhaas Mungra has expressed some optimism that this former Dutch colony could be in line for some badly-needed economic support from the IMF, declaring here recently that Suriname and the fund could reach agreement on the conditions of the support.

Discussions two years ago between the two failed and the Surinamese economy, suffering under the weight of the withdrawal of generous Dutch financial assistance, had limped along.

The Dutch suspended aid to Suriname after more than a dozen government opponents were shot dead in December 1982 in circumstances still to be fully explained by the country's military rulers, led by former army sergeant, now Colonel Desi Bouterse.

The deaths of the opponents of the country's military rulers, the military-style attacks on known anti-government radio stations, and a generally authoritarian style of administration, helped frighten off potential investors in recent years, making life that much more difficult here.

Falling prices for bauxite, Suriname's major export commodity, added to the country's woes. Thus, the announcements from Suralco and Billiton of their near 200 million dollars investments in the next five years, must have been welcome news for the embattled economy. Importantly, half the amount will go directly to develop new bauxite mines to replace old, exhausted ones. The other half will be used to upgrade installations and to finance general maintenance.

But the two companies did not just pour the money into the industry indiscriminately. They set some economically, and, perhaps, politically stiff conditions before agreeing to the investments. One of the major conditions has been a drastic reduction in the industry's work force, a move which required consent from the government before it could be implemented.

The number of employees in the industry has already been slashed from 6,000 to 4,300 and will be reduced to less than 3,000 by 1990. The government also agreed to drop its tax on the industry at a considerable cost to its budget. But the 200-million-dollar investments will mean production will be safeguarded for the next 20 years, even if at a level 40 percent below that of six years ago.

Suriname's second most important export commodity, rice, has fared little better than bauxite, which has accounted for up to 80 percent of its foreign exchange income. The industry has grown in importance to the economy, contributing nine percent of the foreign exchange earned last year, in contrast to little more than five percent eight years ago. Earnings from rice exports rose in the period from 32 million guilders in 1977 to 77 million (one guilder; 57 U.S. cents) last year. But international market conditions have deteriorated during that time, and more recently, the situation has been exacerbated by a price war between Thailand and the United States, the world's largest rice producers.

The upshot of this war has been to force down the price of rice on the world market, making life nearly impossible for comparatively small producers such as Suriname. But the country has been somewhat insulated from the full impact of the international market conditions of preferential treatment it receives for rice exported to the European community under the Lome Convention, the trade and aid pact which links about 70 developing countries in Africa, the Caribbean and the Pacific with the EC.

Some 70 percent of Suriname's rice is exported to the EC under Lome, named after the Togolese capital where the first accord was signed. But some rice industry officials here fear that their competitiveness in Europe might be eroded as more producers enter the market, among them Guyana which is one of the larger rice producers in the region and which is also a signatory to the convention. As Suriname seeks better deals for its exports, it is also in search of alternate sources of financial assistance to plug the gap created by the suspension of Dutch aid.

Bouterse has flirted with the idea of developing relations with Libya which has promised the former Dutch colony 100 million dollars in assistance, and which has opened a people's bureau (embassy) here. Suriname is also seeking aid from the IMF, specifically the funds compensatory financing facility. Assistance is required for balance of payments support, and Finance Minister Mungra said agreement could be reached, with government even hinting at a currency devaluation. Central Bank President Heng Goedschalk, believes external assistance is necessary to arrest the slide in the country's economy.

Meanwhile, a series of stop-gap measures have been put in place to curb growth of a parallel market that sprung up as import restrictions created shortages of sole items here. Government has set up a distribution and control apparatus to ensure fair distribution of scarce commodities and to check speculation. Measures are also required to reduce the deficit estimated at 500 million guilders, or some 20 percent of gross domestic product.

FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 214 5 November 1986

INTER-AMERICAN AFFAIRS

Contadora Deputy Ministers See De la Madrid A 1
[UNOMASUNO 1 Nov]

ARGENTINA

Caputo Vows 'Prudence'; Denies UK Sea Claim B 1
Military Leaders Consider Deployment Options B 5
General Mobilization Ruled Out B 5
Naval Operations Unchanged B 6
Officials Pursue International Support B 7
Sabato Addresses EEC Panel B 7
Envoy Presents Note to UN B 8
Other Countries React to Falklands Dispute B 9
U.S. Supports Dialogue B 9
Canada: UK Move 'Inopportune' B 9
Peruvian Legislators Offer Aid B 10
Chilean Navy Chief Responds B 10
Ortega Expresses 'Solidarity' B 11
Costa Rica Offers Support B 11
Domestic Sectors Ponder Falklands Issue B 12
Expropriation Considered B 12
Caputo Briefs Ubaldini B 12
GDR's Hermann Meets Senate President Martinez B 13
Alfonsin Confirms U.S. Trip; Garcia Departs B 13

BOLIVIA

Minister Views U.S. Joint Task Paper on Drugs C 1
[EL DIARIO 30 Oct]

BRAZIL

Saboia Announces Transfer of Orders to Industry D 1
[O GLOBO 28 Oct]
Minister Denies Nuclear Program Suspension D 1
[O ESTADO DE SAO PAULO 1 Nov]
Funaro Reaffirms Prices on Beef, Other Products D 2
Briefs: AIDS Cases Reported; Dengue Cases in Ceara; D 2
Israeli Drug Trafficker Caught

CHILE

Pinochet Orders CNI To Grant Court Requests E 1
Detained Terrorist Tries To Commit Suicide E 1
Church Asks Government To 'End Exiles' for Pope E 1
Toro Meets Opposition, Criticizes Parties E 1
Peace Commission Invites Union Leader To Join E 2
Briefs: First Region Intendant; Foreign Reserves Position; GDP Increased; Industrial Production Grows E 2

COLOMBIA

Rebel Plan Foiled, Troops Restricted to Quarters F 1
FARC Seeks New Commissions for Dialogue F 1
6 Soldiers, 5 Guerillas Die in Antioquia Clash F 2

PERU

Garcia Vows To Punish, Repress Terrorism J 1
Garcia Returns From Argentine Solidarity Visit [AFP] J 2
Path Kills Two Vigilante Leaders in Patapata [AFP] J 2

URUGUAY

Broad Front Leader Sends Support to Alfonsin [AFP] K 1
Senator Cancels Trip to London 'Over Falklands' K 1
Briefs: Algerian Trade Agreement; CIES Vice President; Broad Front Deputy Dies; Central Bank Reserves Increase K 1

MEXICO

Visiting Cuban Education Minister Interviewed M 1
Nine Soldiers Killed in Anti-Drug Operations M 1
Briefs: Gasoline Prices Increase M 1

PANAMA

Government Reportedly Seeks Gorbachev Visit [EXTRA 4 Nov] N 1

CENTRAL AMERICA

BELIZE

Guatemalans 'Willing To Recognize' Independence P 1
Esquivel Outlines Economic Recovery Projects P 2
CDB Approves $3 Million Loan, $97,000 Grant P 3

COSTA RICA

Madrigal Chides Contadora, Marks Bilateral Ties [DPA] P 3

EL SALVADOR

Guerrilla Leader Requests Dialogue Resumption P 4
Oqueli Blames Government, U.S. for Failures P 5
Plan Aims To Move Guerrillas, Violence Continues P 6

HONDURAS

Contras Ambush EPS in El Paraiso Department P 7
[LA TRIBUNA 3 Nov]

NICARAGUA

Garcia Presents Chinese, FRG Weapons to Judge P 7
Ortega Congratulates Mozambique's Chissano P 8
FSLN's Tirado Celebrates Anniversary in Havana P 9
[BARRICADA 1 Nov]
Speaks at Honorary Ceremony P 9

CUBA

U.S. Prepares Nicaraguan 'Military Aggression' Q 1
Risquet Meets Uruguayan Socialist Delegation Q 2
Risquet Meets Korean Workers Party Delegation Q 2
Cuban Education Minister Arrives in Mexico Q 2
Education Ministers Open School Q 3
FRG Parliamentarian Calls for Cooperation Q 3
Bulgarian, CSSR, Slovak Leaders Arrive Q 3
USSR Builds Vapor Generator for Nuclear Center Q 3
Vietnam Signs Radio, Television Agreement Q 4
Sugar Centers Criticized for Reserving Resources Q 4

CARIBBEAN

BAHAMAS

England Gives 3 Ships To Fight Drug Trafficking S 1
Briefs: British High Commissioner; Ambassador to EEC S 1

ST VINCENT

Mitchell Marks Independence Anniversary S 1

TRINIDAD AND TOBAGO

Agreement Reached on Nuclear Weapons Treaty S 2

CONTADORA DEPUTY MINISTERS SEE DE LA MADRID

PA040400 Mexico City UNOMASUNO in Spanish 1 Nov 86 p 3

[By Marco A. Mares]

[Text] President Miguel de la Madrid met yesterday with the deputy foreign ministers of the eight countries that comprise the Contadora Group and its support group, and told them that we are presently experiencing risky times but also a time of opportunities. He stressed that it is necessary to confront current crises together, thus reducing the foreign vulnerability of the region.

The Mexican president met with the diplomats on their second and last day of the extraordinary meeting. De la Madrid told them that the Central American conflicts not only represent a danger for the Central American countries but for all our countries, and even affect the continent's security and stability.

De la Madrid told the deputy foreign ministers that their work, aimed at achieving greater political understanding and rapprochement among Latin American nations, represents a great opportunity at moments when the problems of the region are worsening.

He stressed that the suggestions expressed during the meeting represent a substantial step forward for future, periodic meetings of the foreign ministers, who will find themselves better prepared to present before the presidents of the Latin American nations their decisions in favor of regional integration and cooperation.

In conclusion, the Mexican president reiterated that for Mexico, Latin America represents a natural field of activity, and that participation in the international situation is a major priority for Mexico.

Meanwhile, the Mexican Foreign Secretariat reported that the representatives of the Governments of Contadora Group members Colombia, Mexico, Panama, and Venezuela; and Support Group members Argentina, Brazil, Peru, and Uruguay met to exchange viewpoints on how the existing cooperation among the eight countries can be used more adequately to resolve the political and economic problems that affect them.

The conclusions reached during this 2-day meeting will be presented to the foreign ministers during their meeting scheduled to be held in Rio de Janeiro, Brazil, in December 1986.

The Mexican Foreign Secretariat also reported that the diplomats exchanged information regarding the evolution of the Central American situation, and observed that the recent political and military incidents confirm the concerns expressed by the foreign ministers of the Contadora and Support Groups in their Caraballeda Document and in the statement they issued on 1 October 1986, as well as their belief that "peace is still possible in Central America." In their documents, the foreign ministers reject the use of force and the implementation of policies that represent a violation of the sovereignty, independence, and territorial integrity of any state of the region; and admit that dialogue and political understanding represent the only adequate way to resolve the conflict.

CAPUTO VOWS 'PRUDENCE'; DENIES UK SEA CLAIM

PA050235 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 5 Nov 86

[Speech to nation by Foreign Minister Dante Caputo at unspecified location -- live]

[Text] Good evening. The government has considered it necessary and useful to share with you tonight a series of views relating to what has happened since the measure taken on 29 October by the United kingdom, the consequences of that measure, how it affects us, and what we are doing to limit its effects so that we safeguard our sovereignty.

In the first place, I think it is necessary to make a brief summary of what the United Kingdom did when it made the statement through its foreign minister in the House of Commons at 1230 on 29 October.

To explain this in the best way possible, let us take a look at a map of the area. in the first place, it is useful and necessary that we remember the situation that existed. We all know that since 1833 our islands have been occupied by the United Kingdom. This occupation was not only of the land, but also of a small belt bordering these islands, known as territorial sea. This sea consists of 3 miles around the coast. The usurpation was of the islands and of this small portion of 3 miles of the territorial sea of the Malvinas Islands.

This situation continued until 1982, when after the Malvinas War, the United Kingdom took a unilateral decision which consisted of creating the so-called protection zone, an exclusion zone. This is an area you can see here in red. [Caputo points to map] This area has a circumference of 150 miles [number as heard], which had the following characteristics: This area served to prevent any ship sailing under the Argentine flag from entering the zone. It was an exclusion zone, only against Argentine ships. This area was considered high seas for the rest of the world's countries.

Let us review. The islands, the territorial sea, after 1982, this zone of 150 miles, were all closed to Argentine ships. This was the situation from the United Kingdom's point of view.

Let us see the situation from the Argentine point of view. Argentina of course had its territorial sea, but also the so-called exclusive economic zone, which is generally different from the territorial sea in the following regard: While we have sovereign rights over the territorial sea, full sovereign rights, as if it were indeed firm land; in the exlusive economic zone we only have sovereign rights over its resources, its sea life and the sea's soil and subsoil. That is, we exercise some sovereign rights. This exclusive economic zone comprises an extension of 200 miles [number as heard] from the Argentine continental coast and from the Malvinas Islands coast. Therefore, the islands occupied by the British, the territorial sea, this exclusion area for Argentine ships, and this entire zone where Argentina had sovereign rights all this time is included in the zone the British are claiming.

What does it mean to exercise sovereign rights? Simply that we had jurisdiction over the area, that we controlled fishing, that our ships, the prefecture ships, the Argentine Navy ships, patrolled the area due to the right we had over the sea resources, its soil and subsoil.

This was the situation until 29 October. With the United Kingdom's decision there is a substantial change. On 29 October the United Kingdom not only claims sovereignty over the islands and the 3-mile area of sea around the islands, but they claim more than the 200-mile exclusive economic zone. This means that all of this zone, which was only high seas from the British point of view, from the moment of the declaration becomes a zone where the British want to exercise sovereign rights over all the resources. Let us explain it more simply: They occupied our house for 150 years and a small patch next to the house. The garden was ours; we grew things in it and took care of it, but since 29 October they are telling us that the garden is not ours anymore, that it belongs to them.

Actually you can realize that we are up against another usurpation of Argentine territory. It is a usurpation which is not like that of 1833, which was a usurpation of islands we had not occupied for 150 years. This usurpation is of a sea which we were effectively patrolling and taking care of, whose resources we controlled. You will realize the seriousness of this action and the meaning it has for all of us, the British pretension to advance on the sovereign rights of the Republic of Argentina.

Here are some more details on this map. The United Kingdom and some press agencies have tried to distort and change the real scope of this measure. In truth, they do two things. First, they claim these 200 miles. You can see the great distance that these 200 miles cover. For instance, the Isla de los Estados Department is intersected here. Second, they say they will establish a 150-mile administrative zone around the Malvinas Islands for the conservation and preservation of fishing. Here emerges a series of confusing statements that, unfortunately, are being manipulated by some newspapers. I mean this: This conservation zone is an administrative zone that will begin to control fishing here as of 1987 -- as of 1 February, to be exact. The establishment of an administrative regulation here bears no relationship to the other fact, the attempt to exercise sovereignty and jurisdiction over the 200 miles.

Therefore, you can realize that we are not dealing with just a slight change of the former situation. Argentine ships could not get in here. Now they do not want any ship to enter this area unless fishing agreements with the United Kingdom are reached.

The UK, therefore wants to exercise sovereign rights over an area in which we had patrolled and over which we had jurisdiction. Historically, we have exercised jurisdiction over this area, especially this year. Our ships, as I have already said, do not only patrol this area near the coast. They had patrolled this area even before the conflict. In 1980 we captured some ships that were fishing illegally some 40 to 50 miles from the coast of the Malvinas.

This is a summary of the situation and I want to make something very clear. First, action has been taken in an area in which we have full rights. Using their alleged sovereignty, they intend to claim sovereign rights over Argentine seas. As you can imagine, this is a British intention to make a new move to usurp our territory.

How did we arrive at this situation? Why are the British taking this action? A brief summary of how events have developed recently might be useful in understanding our decision on 29 October. The British Government has systematically tried to create a new mechanism by any means to show that it has effective control of its sovereignty over the Malvinas Islands.

For example, in August of last year, the British launched a strong offensive in the framework of the FAO. They claimed there that because all this area is being used for uncontrolled fishing that is destroying fishing resources, it is necessary to have some kind of supervision. What is their proposal? They said: Let us sign a multilateral fishing agreement. We asked: A multilateral agreement among which countries? They said: An agreement among all the countries that fish in the area, including Argentina and the UK, of course. Then, we asked: Why should the UK sit down to sign an agreement? Their reply was: We exercise sovereignty over this area.

You must realize that by using the idea of protecting fish resources, they wanted to establish a very strong legal precedent that would state: We are in the islands, and this is internationally accepted by other countries that have signed a fishing agreement with us. Argentina opposed this proposal.

Argentina proposed to conduct a reliable study to determine any potential damage to the area, but evidently we could not sign an agreement involving such consequences.

The British counterattacked. They said that the Argentines do not want to sign. They did not say why we did not want to sign. They said we are opposed to preserving fishing resources. They said we are not interested in protecting the environment. Nevertheless, Argentina was always concerned about this. Argentina was always patrolling and supervising such resources, and it decided to supervise fishing even more by signing bilateral agreements with countries that actually fish in the area. We signed fishing agreements with the USSR and Bulgaria, and we began talks with others such as Japan, Uruguay, and the EEC. I will point out the importance of these agreements. Today there are many ships that are illegally fishing in areas beyond Argentine control and often enter our zones and destroy fishing resources. Therefore, there are many ships that are fishing illegally in this area.

By means of the agreements, contracts, and other legal instruments, the number of ships that will fish in these areas is determined. The amount of fishing is also determined. For example, in the agreement with the USSR, the number of ships per year, the exploitation quota, and a strict control are stated. Part of the crew is Argentine and an Argentine Government official boards each ship to determine if the agreement is strictly followed.

Therefore, these fishing agreements being used by the UK actually have a double meaning: An attempt to avoid multilateral preservation. What they are actually doing is not making sure whether there are 80 or 100 ships, but only those that Argentina [as heard] is willing to accept according to the exploitation needs in the area each year.

This is a summary of the situation. Since we have opposed the multilateral agreement within the framework of the FAO -- based on the reasons we have previously explained of not establishing negative legal precedents -- the British have reacted with the well-known terms: declaring the 200-mile zone that we were looking at a few minutes ago.

Evidently, this has very serious effects. First, the British Govenment constantly says that the sovereignty issue should not be discussed. However, by adopting this measure, they are exercising sovereignty. They are the ones who have brought this issue to the table. This is a serious contradiction of British diplomacy in the matter. Therefore, we have had to react against such a measure. How have we done it? Based on what objective have we reacted? How are we guiding our action? Most of all, on what are we basing our claim?

Let us briefly review this. First, everything we do is aimed toward improving the capacity of the negotiations to make the Malvinas Islands part of Argentina again. No diplomatic or political action can lose sight of this fundamental objective. We can never contradict the possibilities of recovering the islands. Our other objective is preserving the fishing resources in the entire area. This is an important resource for the Argentine economy. By considering these two objectives, we must create the best conditions for the recovery of the islands and for preserving the resources and our economic interests.

I would say that we have acted based on two points. First, we have stated that Argentines are not withdrawing. We will show the British Government that we will continue patrolling that zone we had been patrolling because it belongs to us, because we were there, and because we will continue to be there with utmost prudence and care. However, we will not move from where we were. However, this does not [word indistinct]. Our steadfastness over the area is not enough. In addition, we must denounce the British aggression, We must show the international community who is the aggressor and whom it is attacking. This time, there is no doubt that the United Kingdom has adopted an aggressive stance toward us -- that is, toward a democratic government that the international community respects and holds in esteem.

Therefore, we have already begun diplomatic moves expressed in the diverse missions that have left for European, nonaligned, and (?Far East) countries, for next week's action at the OAS, and for another action at the United Nations the following week. Also, the president has had countless communications with the heads of states of over 20 countries. Those were the specific steps we planned, implemented, and will continue implementing in the following weeks. Moreover, these specific measures are inspired by a fundamental idea. Clearly and steadfastly, we must defend what is ours. Argentina's democracy will not withdraw in the face of British aggression. However, the fact that Argentina is a democracy and responsible for the lives of the men and women of this country, because it knows what having peace means, it will act with utmost prudence. Because it is on the side of justice it will use reason. Because it knows that it has gained prestige in the name of peace and negotiation, it will continue striving for peace along the path of diplomatic negotiations. Let there be no doubt about that. With steadfastness and prudence, and intelligence to use all rational means, under no circumstances will we fall into any provocation that the British Government may later take advantage of.

To say this in another manner, which perhaps may be more sincere and direct: There are some who feel we must abandon this struggle, that we must not irk the British or do things that may create a tense situation. That is unacceptable. Argentine patrimony is not to be surrendered, because it represents the feeling of the Argentine people, because it represents the conviction of our government, because it represents the historic mandate we have recieved from our electorate. Imagine withdrawing from our sea so as not to irritate the British!

There are a few who say that we must put on our helmet and go out to fight the [word indistinct]. We are aware of that. So, our choice lies between the helmet and that which the great majority of Argentines, all of you, agree with: common sense. Common sense means to be steadfast and prudent. We know what peace if for each one of you. It is life for each Argentine woman, man, and child. You know that this fundamental ideal will guide the democratic government in each of its actions and in each moment of its actions.

In sum, I want to leave you tonight with a simple message following this explanation. Know and trust that participation of the people in a democracy ensures the wisdom of the Argentine Government. Know that the Argentine Government is reflecting the mandate of the people to regain the islands. However, there is another mandate of preserving peace. As I said, the government will act guided by two fundamental criteria: Prudence and steadfastness to achieve peace and regain the islands. Thank you.

MILITARY LEADERS CONSIDER DEPLOYMENT OPTIONS

General Mobilization Ruled Out

PY050236 Buenos Aires DYN in Spanish 0118 GMT 5 Nov 86

[Text] Buenos Aires, 4 Nov (DYN) -- The idea of mobilizing the nation's air, sea, and ground forces after the British decided to extend by 50 miles their self-imposed jurisdiction around the Malvinas Islands was ruled out shortly after learning about the British decision, because of its political disadvantages and high cost, as it would have demanded an initial investment of $100 million.

Military sources consulted by DYN this evening gave some details of the events that occurred after the Argentine Government learned about the unilateral British decision to establish a new "protection" zone around the archipelago.

The sources said that on the evening of 28 October, before an announcement was made in either capital, Defense Minister Horacio Jaunarena met with Brigadier General Teodoro Waldner, chief of the Joint Staff, and General Hector Rios Erenu, Vice Admiral Ramon Arosa, and Major General Ernesto Crespo, the chiefs of staff of the three services, whom he briefed on the situation.

On the morning of 29 October, the staffs of the three services analyzed the possibilty of using military forces to patrol the 50-mile zone in which the jurisdiction of the two countries overlaps.

The sources said that the initial analyses revealed that, from a strictly military viewpoint, the alternative was not feasible.

Because of routine maintenance operations, a considerable sector of Army aviation is not operational at this time. The problem is plaguing the Air Force and, to a lesser degree, the Naval air wing.

For the same reason, the number of Mirage planes headquartered in Rio Gallegos has been reduced.

Ninety percent of the Army's mechanized and armored units in the southern region are operational, because the British decision was announced as they were conducting their end-of-year maneuvers. However, the situation is different in the 2d Brigade, headquartered in Entre Rios, and in the 1st Brigade, headquartered in Tandil, Buenos Aires Province. Consequently, it was decided to create the military committee and to cancel leaves for recruits.

While the defense minister, the president, and other political leaders analyzed the situation, the Air Force chief ordered an A4B fighter-bomber squadron that was participating in the joint maneuvers at Pampa de los Guanacos to remain in Comodoro Rivadavia.

The idea was to keep that squadron in position should an order be issued that patrols be intensified, in which case there would be no time to move the Mirages from Rio Gallegos. Meanwhile, the Army land units continued their exercise, delaying their staggered redeployments to their home bases, waiting for instructions.

On, 31 October, the defense minister and the nation's president decided to promulgate a decree creating a military committee, despite the fact that the new defense law, under which it will be created, has not yet been passed.

They also ordered that the various regional strategic commands be reactivated, and issued instructions to the Naval prefecture and the national gendarmerie to contact the Joint Staffs of the three branches of the Armed Forces in order to start joint planning. At the same time, a directive was issued forbidding any unit of the Armed Forces and the Security Forces from adopting any decision military in character without the express orders of the nation's president.

As for the idea of ordering a mobilization to concentrate 40 percent of the military in the country's southern area, it was discarded both for political reasons and economic considerations, since its implementation would initially cost some $100 million.

Naval Operations Unchanged

PY041617 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1540 GMT 4 Nov 86

[Text] Mar del Plata, 4 Nov (NA) -- Navy Chief of Staff Vice Admiral Ramon Antonio Arosa asserted here today that "for the time being" the Navy's operational capacity in the South Atlantic will not change.

Arosa stated that "we continue to strive to improve the Navy's operational capacity with what we have at hand." He insisted that the current operational capacity "will be the same as that which we have been using so far, although our desire is to increase it to the ideal level."

Regarding the possibility that President Raul Alfonsin may have formally requested the Latin American navies' support in this conflict, Arosa stated that "he has not expressed this desire but he has explained his points of view regarding this conflict to the Latin American navies, and will continue to use our communication facilities, especially at sea, in addition to all our liason and reciprocal cooperation capability in order to contribute our effort to that of all the American nations." He ended by noting the importance of the chief of state having inaugurated the inter-American naval conference by "expessing our government's point of view on the gradual increase in Latin American ties."

OFFICIALS PURSUE INTERNATIONAL SUPPORT

Sabato Addresses EEC Panel

PY042104 Madrid EFE in Spanish 1759 GMT 4 Nov 86

[Text] Brussels, 4 Nov (EFE) -- Argentine Secretary of State for Foreign Affairs Jorge Sabato, on behalf of his government, has requested EEC support to settle the sovereignty dispute over the Malvinas Islands that is pitting Great Britain and Argentina against each other.

In Sabato's opinion, the British decision to expand its jurisdiction in the Malvinas Islands to 200 miles complicates the existing conflict between the two countries and gives way to the possibility that new incidents may occur.

During a press conference in Brussels in which he gave a detailed account of the current situation, Sabato said "the British statement is not the best way to ensure peace. The UK Government has shown that it does not want a peaceful solution to the problem."

Sabato made it clear that the official British statement, which was sent to Argentina and to international organizations such as the United Nations, states that "Great Britain immediately expands its jurisdiction over the Malvinas Islands to 200 miles, which involves territories under Argentine sovereignty, such as Estado Island, territories over which no problems previously existed." [sentence as received]

"Argentina cannot permit the violation of zones over which Argentina maintains peaceful jurisdiction, as recognized by the international community. We will not permit our rights to be violated," Sabato said.

Jorge Sabato explained in detail to Commissioners Antonio Cardoso, who is in charge of fishing affairs, and Claude Cheysson, in charge of North-South relations, that "Great Britain is not only maintaining its encroachment over the Malvinas Islands but is worsening the conflict, thus increasing the possibility of incidents and removing the possibility of achieving a peaceful solution."

"This poses a sovereignty problem, and the civilized manner of settling it is to sit down at a negotiating table to achieve a peaceful solution," stressed Sabato, who tomorrow will explain the Argentine stance to the French Government. He will do the same in Madrid on Thursday and in Rome on Friday.

Sabato emphasized that the Argentine Government has adopted some measures of "military precaution" to prevent possible incidents from taking place and that Great Britain has given a bad democratic example to the Latin American countries by unilaterally deciding to expand its jurisdiction over the Malvinas Islands.

Concerning the effect of the British decision on the stability of the Argentine democracy and Army, Sabato stated that "there is no danger whatsoever, because democracy has been ensured for a long time."

"What is obvious indeed is that this type of action conspires against democracy itself and questions the democratic practices of nations," Sabato said.

The EEC response to Jorge Sabato stressed that the EEC has no jurisdiction over the fishing zone around the Malvinas Islands and that the conflict is "bilateral," between the two nations.

An EEC source has stated that the EEC is endorsing negotiations to settle the conflict peacefully and fully.

Sabato stressed the stance adopted by the Raul Alfonsin governemnt which, since it assumed power, has been making every effort to peacefully settle the differences between the two nations. He said that the British statement "contradicts the UN recommendations and unilaterally modifies the prevailing situation."

The British decision to expand the economic exclusion zone around the Malvinas Islands to 200 miles was made lat Wednesday to preserve the resources in the area which, according to the government of Margaret Thatcher, are in jeopardy because of the increased number of fishing agreements Argentina has signed with third countries.

The Spanish Government has stressed that the "unilateral British decision has complicated the situation," and has reasserted the Argentine right of sovereignty over the Malvinas Islands.

The United States today offered its "good offices" to support the resumption of talks between Argentina and Great Britain.

Envoy Presents Note to UN

PY050107 Buenos Aires TELAM in Spanish 2333 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (TELAM) -- The permanent Argentine mission at the United Nations today presented a note to UN Secretary General Javier Perez de Cuellar refuting a note issued by the permanent UK and Irish representative and the statement (?on fishing areas) in the Western Atlantic that the government in London attached to the note.

In his note, Argentine representative Ambassador Marcelo Delpech states that the British action is another violation of Argentine territorial jurisdiction, and that with this action the UK is creating a new source of tension and conflict in the area that will affect regional security and the interests of third parties.

Delpech also says that the British statement represents a clear setback to eliminating colonialism, which is a basic goal of the United Nations, and that it is a flagrant violation of specific recommendations made by the UN General Assembly on the Malvinas issue.

In conclusion, Delpech states that by seeking to regulate the exploitation of fishing resources in an area up to 200 miles and to exercise jurisdiction over the continental shelf around the Malvinas Islands, the British measure shows that the sovereignty dispute is the core of the Malvinas issue and that only by negotiating and peacefully settling the issue through bilateral negotiations can a final solution to this question and to all the problems related to it be achieved.

OTHER COUNTRIES REACT TO FALKLANDS DISPUTE

U.S. Supports Dialogue

PY042027 Buenos Aires DYN in Spanish 1840 GMT 4 Nov 86

[Excerpt] Buenos Aires, 4 Nov (DYN) -- The United States has decided to support a dialogue that leads to the peaceful settlement of the new Argentine-British crisis over the Malvinas. In addition, the Argentine Government has reiterated its firm determination to comply with the terms of the fishing agreements signed with the USSR, which provide for the operation of Soviet ships within the 150-mile "fishing preservation" zone.

The U.S. position was confirmed today by Vice President Victor Martinez, who gave some details of the 10-minute phone conversation betwwen Presidents Alfonsin and Ronald Reagan last night.

According to Martinez, Reagan told Alfonsin that it would be "advantageous and necessary to continue along the path of dialogue," and he "offered to do everything to support" the implementation of the dialogue.

Martinez explained that Alfonsin assured the U.S. President that "Argentina will continue to defend its rights at international forums and through peaceful measures."

Martinez reported these details of the conversation between the two presidents after his customary Tuesday meeting with Alfonsin, with whom he evaluated the situation created by Great Britain. [passage omitted]

Canada: ULC Move 'Inopportune'

PY042154 Buenos Aires TELAM in Spanish 1943 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (TELAM) -- Canada has described the measures adopted by the British Government concerning the Malvinas islands as inopportune and likely to complicate further the already delicate situation in the South Atlantic. Canada has urged both sides to begin as soon as possible negotiations involving all the aspects of the dispute.

A communique released today by the Canadian Embassy in Argentina states that the etablishment of a provisional conservation and administration zone with a 200-mile radius around the Falklands/Malvinas islands and the establishment of a 200-mile fishing boundary is viewed by the Canadian Government as an inopportune action that will further complicate an already delicate situation in the South Atlantic.

The communique adds that the Canadian Government is concerned over the fact that these measures mix a valid concern for conservation with a (word indistinct) dispute over sovereignty. Canada would have preferred that the United Kingdom continue its efforts to arrive at a multilateral resolution on the conservation issue within the context of the Food and Agriculture Organization (FAO) of the United Nations.

In conclusion, the communique states that Canada has consistently refused to prejudge the conflicting sovereignty claims over the Falklands/Malvinas Islands and, on the contrary, has urged both sides to begin as soon as possible negotiations involving all aspects of the dispute in accordance with the UN Charter.

Peruvian Legislators Offer Aid

PY041537 Paris AFP in Spanish 1513 GMT 4 Nov 86

[Text] Lima, 4 Nov (AFP) -- Armando Villanueva del Campo, president of the Peruvian Senate, has stated that Peru will give military assistance to Argentina and will boycott British ships in its ports if the tensions that have arisen between the two nations in connection with the Malvinas Islands turn into another military conflict.

The Lima press today published the statement of Villanueva, who is also secretary general of the ruling American Popular Revolutionary Alliance, in the wake of the brief visit that Peruvian Social Democratic President Alan Garcia made to Buenos Aires to convey to his Argentine counterpart Raul Alfonsin Peru's solidarity with Argentina.

Let us not forget that the previous administration (Fernando Belaunde Terry's) supplied military aid during the Malvinas war in 1982, Senator Villanueva said.

As for the port boycott, this was announced by ruling party Deputy Luis Negreiros who recalled that this measure was levied against British flag-flying ships in 1982. We are aware that the sovereignty of the Argentine people is being trampled upon. The time has come to eradicate colonialist attitudes, Negreiros added.

Villanueva voiced his hope that the disagreement will be resolved peacefully for everyone's peace of mind, especially that of the inhabitants of the Latin American continent.

Chilean Navy Chief Responds

PY042258 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1743 GMT 4 Nov 86

[Excerpts] Mar del Plata, 4 Nov (NA) -- Chilean Vice Admiral German Guesalaga Toro, chief of the Chilean Navy General Staff, said here today that Great Britain's decision creating an economic protection zone around the Malvinas Islands "might cause more conflict in the South Atlantic."

He also said that although London's decision does not affect Chilean territory, "it affects us because we have always supported Argentine sovereignty over the Malvinas."

Guesalaya Toro, who is attending the Inter-American Naval Conference in Mar del Plata, is the second highest officer in the Chilean Navy after Admiral Jose Toribio Merino, a member of the Chilean Government Junta. [passage omitted]

Referring to the South Atlantic conflict, Vice Adm Guesalaga reiterated that Chile "has always recognized and supported Argentine sovereignty over the islands."

"The Chilean support has been permanent. Regarding what happened in 1982, our officials have made it clear that we reject the use of force and are in favor of submitting such conflicts to international courts. That is, we are in favor of peaceful solutions." he said.

Ortega Expresses 'Solidarity'

PA040211 Managua Domestic Service in Spanish 2347 GMT 3 Nov 86

[Message from Nicaraguan President Daniel Ortega to the people of Argentina, issued by the Press and Information Directorate of the Presidency in Managua on 3 November]

[Text] Your Excellency Raul Alfonsin, president of the Republic of Argentina.

President and friend: In response to the unacceptable and illegal decision by Great Britain to declare an economic zone of 200 miles around the Malvinas Islands, which endangers Latin American peace and security, I express the decisive solidarity of the Nicaraguan Government and people with the Argentine Government and people.

You can count, dear president, once more and as often as necessary, on Nicaragua's support for all the initiatives and measures your government may adopt in legitimate defense of the territorial integrity and sovereignty of the Argentine nation.

Fraternally,

Daniel Ortega Saavedra

President of Nicaragua

Costa Rica Offers Support

PA050357 San Jose Radio Reloj in Spanish 0100 GMT 5 Nov 86

[Text] A communique issued this afternoon by the Costa Rican Foreign Ministry states that Costa Rica supports the Argentine Government and President Raul Alfonsin in his effort to find a just solution to the conflict with the UK over the Malvinas Islands.

The communique urges the sides in conflict to be consistent with the international commitments they have made and to initiate negotiations that will lead to a peaceful and lasting solution to the conflict. Costa Rica's support of the Argentine Government is in keeping with the UN Charter and the resolutions adopted by that international organization's general assembly.

The Costa Rican Government has expressed its concern over the UK statement to the effect that a 277-km [as heard] area of economic conservation will be established around the Malvinas Islands. This action, the government feels, will not contribute to the climate of detente that should exist between the sides. Quite the contrary, it is an obstacle to the peaceful and satisfactory solution of the conflict over the territories in question. Costa Rica also feels that the UK statement does not take into consideration the negotiation efforts promoted by the international community.

The Costa Rican Government feels that the UK statement affects the many resolutions issued by the UN General Assembly, which on various occasions has urged the sides in conflict to seek a peaceful solution.

The Foreign Ministry communique adds that it is worrisome that the UK statement came only 2 days after the document declaring the South Atlantic a peace zone was approved. The Costa Rican Government feels that the British statement casts doubt on the effectiveness of the South Atlantic peace zone, and it therefore supports the Argentine Government in its effort to solve the conflict.

DOMESTIC SECTORS PONDER FALKLANDS ISSUE

Expropriation Considered

FY042034 Buenos Aires TELAM in Spanish 1924 GMT 4 Nov 86

[Text] Viedma, 4 Nov (TELAM) -- Rio Negro Governor Osvaldo Alvarez Guerrero today announced that his government is studying the possibility of expropriating some land that belongs to British companies in the southwestern region of Rio Negro Province, near the Andean Mountains.

Citing a specific case, Alvarez Guerrero told the press that the town of Pilcaniyeu is enclosed within the Pilcaniyeu Ranch, some 100 km from Bariloche. This ranch is owned by the Southern Argentine Lands Company -- Compania Argentina de Tierras del Sur, a British company.

Alvarez Guerrero said that in order to determine the status of the various British possessions in Rio Negro Province, some of which might be having legal problems, the provincial congress will be requested to appoint an investigative committee.

Caputo Briefs Ubaldini

FY041816 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1613 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (NA) -- The CGT [General Confederation of Labor] today told the Government that "the flag of sovereignty is the inalienable flag of the workers," and voiced its support for the efforts being made to defend national interests and the need to create conditions for a growing national unity in order to safeguard the Argentine sovereign interests."

CGT Secretary General Saul Ubaldini made this statement to Foreign Minister Dante Caputo during a meeting held around noon, during which Caputo explained to Ubaldini "the scope and consequences of the measure adopted by the United Kingdom." Caputo, during a brief talk with journalists, disclosed that, during the message he will address to the country over a radio and television network tonight, "I will explain what the British measure entails, its scope, and why we consider it to be an aggression."

The foreign minister and the union leader held a closed-door meeting from 1100 [1400 GMT] until after 1200 [1500 GMT]. During this meeting, Caputo explained to Ubaldini the political and diplomatic details of the British decision.

At the end of the meeting, Caputo and Ubaldini met with the media. The foreign minister read a brief document referring to the content of their meeting. The document begins by stating that Ubaldini "was invited to the Foreign Ministry to be briefed on the situation, prompted by the decision taken by the United Kingdom on 29 October."

The document then states that Caputo explained to Ubaldini "the scope and consequences of the United Kingdom's measure, which represents an aggression against the national interest," and "mentioned the diplomatic actions which the national Government will take."

The document notes that Ubaldini stated that "the defense of sovereignty is the inalienable flag of the workers," and voiced to the minister "support for the efforts being made to defend the national interest and the need to create the conditions for a growing national unity to safeguard the Argentine sovereign interests."

When asked about the message that he will read at 2100 [0000 GMT] tonight, Caputo disclosed that he will "use a chart to explain the situation," and this chart will show that "the British first occupied the house and the sidewalk, and they now want to occupy the yard. Argentina wants to discuss to whom the title of the house belongs." He added that we will thus explain to our fellow citizens what the British measures entail, what scope it has and why we consider it to be an aggression.

GDR'S HERMANN MEETS SENATE PRESIDENT MARTINEZ

PY040311 Buenos Aires TELAM in Spanish 0031 GMT 4 Nov 86

[Text] Buenos Aires, 3 Nov (TELAM) -- Senate President Victor Hipolito Martinez today received Axel Hermann, member of the Politburo and secretary of the Socialist Unity Party of the GDR. During the meeting, Hermann and Martinez expressed their belief that only through bilateral political negotiations will the South Atlantic and Central American conflicts be solved.

At the end of his meeting with Martinez, the GDR politician referred to the necessity of preserving peace and of adopting measures to end the arms race and Star Wars. Hermann said there are now good conditions for developing concrete economic, scientific, cultural, and technological projects between our two countries.

Hermann also said he agrees with point one of the statement issued by the foreign ministers in Punta del Este, and that the GDR will continue to actively support Argentine President Alfonsin's peaceful policy. He concluded by saying his country will exert pressure to implement the UN resolutions urging peace, and to ensure the Malvinas Islands will never be used as military bases for foreign powers.

ALFONSIN CONFIRMS U.S. TRIP; GARCIA DEPARTS

PY040009 Buenos Aires DYN in Spanish 2254 GMT 3 Nov 86

[Text] Buenos Aires, 3 Nov (DYN) -- President Raul Alfonsin tonight confirmed that he will travel to the United States on 16 November and that, on a subsequent tour, he will visit Brazil to meet his Brazilian counterpart, Jose Sarney.

Alfonsin made the announcement at the military section of the metropolitan airport shortly after seeing off his Peruvian counterpart, Alan Garcia, who departed for Ezeiza International Airport at 1930 [2230 GMT] where he will board a return flight to his country.

MINISTER VIEWS U.S. JOINT TASK PAPER ON DRUGS

PY050252 La Paz EL DIARIO In Spanish 30 Oct 86 p 3

[Text] Information Minister Hernan Antelo has stated that the government has approved a position paper on the future joint tasks that must be carried out to eradicate drug trafficking and this document will be submitted to the U.S. Government.

Interior Minister Fernando Barthelemy; Defense Minister Fernando Valle; Agricuture, Livestock, and Campesino Affairs Minister Edil Sandoval; Foreign Minister Guillermo Bedregal; Planning and Coordination Minister Gonzalo Sanchez de Lozada; Presidential Secretary General Juan Carlos Euran; and Information Minister Hernan Antilo met with President Victor Paz Estenssoro on 29 October and gave him a detailed report on the meetings with the U.S. commission that discussed the eradication of drug trafficking within the country.

Antelo said a preliminary agreement has been reached "that will serve as the basis for negotiating future basic aspects dealing with the destruction, trafficking, and manufacture of the drug, and even more important, with the substitution of the coca plantations."

According to the minister, the government has the basis for negotiating and reaching an agreement on the operational and financial aspects.

Although the United States has offered $260 million for the 3-year plan, the Bolivian Government believes the U.S. Government should respond with more effective assistance in the fight that will take place in our country.

The substitution of the coca plantation is one of the government's concerns, and it believes that substitutes that will favor both the farmers and the country in general should be on had at the appropriate time.

"The fact that must be taken into account is that there must be substitutes for each hectare of coca plants that is eradicated," Antelo stressed. He also stated that technical organizations are drafting a plan that will respond to the interests of the majority.

Antelo said, "The future agreement contains a series of factors that are based on the experience we have obtained over the years." He explained that the government has obtained vast experience since the arrival of the U.S. troops and their participation in the fight and that taking this experience into account, the government has the intention of putting the drug repression organizations in charge of all the operations carried out within the country.

Although he did not want to say when the binational commission will meet again, he did say that it could be before the end of the year in the United States.

SABOIA ANNOUNCES TRANSFER OF ORDERS TO INDUSTRY

PY311221 Rio de Janeiro O GLOBO in Portuguese 28 Oct 86 p 23

[Text] The Brazilian Navy will place orders for the construction of military surface vessels, currently done by the Rio de Janeiro Naval Shipyard, in the hands of the private shipping industry. The announcement was made last night by Navy Minister Admiral Henrique Saboia during the inauguration of the 11th National Congress of Maritime Transport and Naval Construction organized by the Brazilian Association of Naval Engineering (Sobena) at the auditorium of the BNDES [National Economic and Social Development Bank] in Rio de Janeiro.

According to Minister Saboia, during the next 10 years the Navy should place orders with the private shipping industry for 12 to 16 motor boats; 12 patrol ships of 200 and 400 tons displacement; and 6 or 8 patrol ships of 1,000 tons displacement. Besides the two corvettes it is currently building, the navy shipyard will, from now on, only build prototypes.

Saboia said "the shipyard's main task will be to acquire the capability to build submarines and highly specialized vessels."

The Navy has about $35 million (493.1 million cruzados) per year, obtained from royalties on oil production, to pay for the orders that it will place with private industry. Other orders, however, that are placed with the private sector, such as the construction of two corvettes that have alread been placed with the Verolme Shipyard, will be covered by funds already allocated in the Navy budget. Currently, the Navy has called for bids for the construction of six patrol ships and another two bids will be called next year for the construction of a 1,000-ton displacement patrol vessel and a vessel designed for the Navy Antarctic Program.

MINISTER DENIES NUCLEAR PROGRAM SUSPENSION

PY031650 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Nov 86 p 26

[Text] Mines and Energy Minister Aureliano Chaves yesterday met in Rio de Janeiro with Licinio Seabra, president of Nuclebras and its subsidiaries, to deny reports that the nuclear program will be suspended after the construction of Angra III. The decision on the construction of other plants will be made only after 1989, "when we have more data to decide whether it is convenient or not," Seabra stated.

The ministers stated that during the meeting, "I ratified what has already been agreed on in the report released by the top-level experts. This report was already approved by President Jose Sarney: the nuclear program will continue. Now we are fighting for the flow of resources to be channeled so that the construction of Angra II and III is feasible." He added that the ministers of the economic team know that there is a document approved by the president of the republic and that they will have to put it into practice and release the necessary funds for the continuation of the program next year.

The minister added that, should the construction of the nuclear plants be delayed, the program will become unfeasible "as happened with the steel plants, which, in Brazil are some of the most efficient in the world. But the delay in releasing funds has placed Siderbras [Brazilian Iron and Steel, Inc] in a very difficult situation. With the hopes that there will be no delays in the construction of the nuclear plants, Chaves admitted that "the ministers of the economic area are having difficulties and that they have never displayed any discrimination against the atomic energy sector."

The minister does not know when Angra I will begin operating again, but said that "it will resume activities when tests prove that the reactor is in keeping with international security rules."

After the meeting, Seabra stated that President Sarney has decided to continue with the nuclear program, although he did not set any date for the construction of the other plants. The Nuclebras president added that the nuclear sector will need $1 billion for next year, $600 million of which will be used for servicing the debt, and the remaining $400 million for investments. "The continuation of the program is important because of the energy problems that the country is facing and in view of the establishment of economic growth during the next few years," he stated.

Seabra added that the minister "has expressed concern over the suspension of the nuclear program in case the resources are not released by next year." He said that, for the maintenance of the technical teams, there must be a minimum amount of work in the nuclear sector, guaranteeing at least a small amount of continuity in the program. Seabra added that "the construction of Angra II will not be delayed, despite a 50 percent reduction in the engineering work until the end of this year."

FUNARO REAFFIRMS PRICES ON BEEF, OTHER PRODUCTS

PY300404 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 29 Oct 86

[Text] Finance Minister Dilson Funaro has just told this newscast tonight that there is no reason to reduce the number of cattle slaughtered, for one simple reason: The government will not lift the freeze on the price of meat or on any other product.

Funaro said that the cattle farmers' supposition that the price freeze will be lifted is once again making them hide their cattle. Therefore, Funaro said, the government may again confiscate cattle to guarantee the average slaughtering of 19,000 cows per day in the country.

BRIEFS

AIDS CASES REPORTED -- Ricardo Veronese, a specialist in infectious and parasitic diseases, has reported that at least 3,000 of the 7,000 prisoners held at the Sao Paulo penitentiary and detention center have AIDS. Veronese bases his statement on an investigation he conducted among the so-called risk groups. According to Professor Veronese, promiscuous sexual behavior in prisons is nothing new. [Summary] [Sao Paulo Radio Bandeirantes in Portuguese 1500 GMT 28 Oct 86 PY]

DENGUE CASES IN CEARA -- The Superintendency of Public Health Drives in Ceara State has appointed 1,000 men to fight the Aedes Aegypti mosquitoes. They hope to eradicate these mosquitoes in Fortaleza within 36 days. So far, 1,363 dengue cases have been registered in the state, most of them in Fortaleza. [Text] [Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 30 Oct 86 PY]

ISRAELI DRUG TRAFFICKER CAUGHT -- The Federal Police have confirmed that one of the drug trafficking gang leaders captured in Sao Paulo 15 days ago, together with 380 kg of cocaine, is really a famous former Israeli soccer player who escaped from a Tel Aviv prison in June 1985. Although he said he was Rolando Ventura Silvera, Paraguayan, nicknamed Papi, the police discovered that his real name is David Ben Calderon, 34, who escaped from an Israeli prison where he was serving a term for trafficking heroin. [Summary] [Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 29 Oct 86 PY]

PINOCHET ORDERS CNI TO GRANT COURT REQUESTS

PY010432 Santiago Domestic Service in Spanish 2200 GMT 31 Oct 86

[Text] President Augusto Pinochet has ordered the interior and defense ministers to reiterate to the National Intelligence Center [CNI] that it must comply with court requests and that it must strictly abide by the law.

In a note to the Supreme Court, the president informed the justices of his decision. President Pinochet thus answered a note that the court recently submitted to him. the court's note mentioned specific cases in which the CNI failed to comply with requests from the Concepcion, Valdivia, and Presidente Aguirre Cerda Appellate Courts, adding that the agency either failed to provide accurate information or did not present detainees as had been requested by the courts under injunction proceedings.

In the final part of his note to the Supreme Court, President Pinochet stated, quote, I beg the Supreme Court to immediately let me know through the justice minister about any problem that may arise in this regard to promptly resolve it, unquote.

DETAINED TERRORIST TRIES TO COMMIT SUICIDE

PY041732 Santiago Domestic Service in Spanish 1600 GMT 4 Nov 86

[Excerpt] Affected by the remorse he felt and the great indignation resulting from the attack perpetrated against President Augusto Pinochet, Victor Diaz Caro, one of the terrorists who has been charged with this attack, tried to commit suicide.

Ad Hoc Military Judge Fernando Torres Silva today confirmed that Diaz Caro cut himself badly, but he is now out of danger. [passage omitted]

CHURCH ASKS GOVERNMENT TO 'END EXILES' FOR POPE

PY042219 Santiago Radio Chilena in Spanish 1600 GMT 4 Nov 86

[Excerpt] The Chilean Catholic Church has formally requested that the government end exiles within the program of the upcoming visit by Pope John Paul II to our country. The church is also studying the idea of requesting an amnesty for all the people under arrest in the country.

This was announced by Msgr Francisco Jose Cox, executive secretary of the commission in charge of the Pope's visit, during a working breakfast with reporters. Regarding the possibility of an amnesty request for people under arrest, Msgr Cox said that he is hopeful the church will receive a positive reply from the authorities. [passage omitted]

TORO MEETS OPPOSITION, CRITICIZES PARTIES

PY311820 Madrid EFE in Spanish 1428 GMT 31 Oct 86

[Text] Santiago, 31 Oct (EFE) -- Retired General Agustin Toro Davila, who held important positions in the current military regime, is meeting with leaders of political parties.

According to Federico Errazuriz, a member of the Liberal Party, Gen Toro Davila, former rector of the University of Chile, is conducting an "inquiry" among different opposition parties.

Errazuriz said Toro Davila believes the political parties "are not offering the country the solutions that the situation requires."

Gen Toro Davila, who in the last few days met with liberals, socialists and social democrats, will now meet with the leadership of the Christian Democratic Party.

PEACE COMMISSION INVITES UNION LEADER TO JOIN

PY042215 Santiago Radio Chilena in Spanish 1600 GMT 4 Nov 86

[Excerpt] Jose Ruiz Di Giorgio, president of the National Federation of Oil Workers, has been invited to join the South American Commission for Peace, National Security, and Democracy.

Ruiz Di Giorgio, who was very honored by the invitation, explained that the commission is made up of such great Latin American personalities as former Ecuadoran and Colombian Presidents Osvaldo Hurtado and Belisario Betancur, respectively; Nobel Peace Prize winner Adolfo Perez Esquivel; Nobel Literature Prize winner Gabriel Garcia Marquezi, and others. Ruiz Di Giorgio added it is an honor for him to have been chosen along with another Chilean, Cardinal Raul Silva Henriquez. [passage omitted]

BRIEFS

FIRST REGION INTENDANT -- General Washington Garcia will take office as the new Tarapaca Intendant, in the First Region, on 13 November. General Garcia was recently appointed as Commander in Chief of the 6th Army Division. [Summary] [Santiago EL MERCURIO in Spanish 24 Oct 86 p CB PY]

FOREIGN RESERVES POSITION -- The Central Bank has reported that on 12 September, Chile's foreign reserves stood at $1,598,300,000, which represents a move toward the December 1985 high of $1,886,600,000. The Central Bank also reported that the balance of payment deficit is currently down to $311.7 million. [Summary] [Santiago EL MERCURIO in Spanish 25 Oct 86 p B3 PY]

GDP INCREASED -- The country's GDP has registered increases of 4.3, 7.2, and 4.5 percent in the first, second, and third quarters of this year. [Excerpt] [Santiago EL MERCURIO in Spanish 24 Oct 86 p B1 PY]

INDUSTRIAL PRODUCTION GROWS -- Chilean Finance Minister Hernan Bucci has disclosed that industrial production during the first 9 months of this year increased by 7.4 percent. [Summary] [Santiago Domestic Service in Spanish 0930 GMT 4 Nov 86 PY]

REBEL PLAN FOILED, TROOPS RESTRICTED TO QUARTERS

PA032023 Bogota Cadena Radial Super in Spanish 1730 GMT 3 Nov 86

[Text] A huge terrorist plan that sought to blow up most of the power pylons in the Cundinamarca Department has been foiled by police. An attempt was to be made to indefinitely cut electricity to the Cundinamarca Department. The action was to have been carried out at the Tequendama and Giradot municipality power pylons, (Plandes) and (Mesito del Colegio) [not further identified].

Authorities said the National Guerrilla Coordinating Board was responsible for the aforementioned plan. The plan also called for various terrorist actions in northern Tolima and attacks on prisons in Bogota and in major cities of the department. The Cundinamarca police, led by Colonel Jose Gonzalo Cuervo Joya, reported that the foiled plan was one of the largest ever uncovered in the country.

Meanwhile, the Armed Forces have been placed on alert status to confront the announced terrorist plan in commemoration of the first anniversary of the Palace of Justice takeover. The Army and police have been restricted to quarters as of 0000 tomorrow and continuing through 8 November.

FARC SEEKS NEW COMMISSIONS FOR DIALOGUE

PA022035 Hamburg DPA in Spanish 1757 GMT 2 Nov 86

[Text] Bogota, 2 Nov (DPA) -- It was revealed today that the Revolutionary Armed Forces of Columbia (FARC), currently observing a truce with the government, has sent a message to President Virgilio Barco Vargas asking him to appoint a new peace commission to facilitate the dialogue process.

Upon assuming the presidency of Columbia on 7 August, Barco Vargas announced he would talk directly with the subversive organizations and not through a peace commission composed of elements from various sectors. Former conservative President Belisario Betancur had used the commission in his talks with these organizations.

FARC guerrilla leaders stated a new peace commission would have more possibility for action than the system currently being used. In the current system talks take place only through Carlos Ossa Escobar, the presidential adviser for reconciliation. According to FARC, Ossa Escobar alone "cannot possibly cover all the problems throughout the national territory that deal with the peace process."

The FARC leaders also asked that the truce process be supervised by a verification commission -- as during the Betancur administration -- and not by judges, as is the current practice, because "any momentary lapse could be harmful to the truce." Several procedures involving the dialogue between the guerrilla groups and the government noticeably changed following the change of government from Betancur to Barco Vargas.

In their message, the FARC leaders also call for the creation of the post of delegate state attorney for human rights and for the inclusion in Congress of a permanent human rights committee. According to the proposal, this committee could replace the verification commission in the event that it is not recognized.

According to FARC, it is necessary to resume several procedures used during Betancur's administration because they had "a more logical sequence for the demobilization of the armed groups and included policies on the treatment of the peace process and true reconciliation."

The FARC leaders also requested special protection for the leaders and militants of the Patriotic Union, a leftist political movement that the FARC, the Communist Party, and other labor and popular organizations support. In the March congressional elections, the Patriotic Union secured 14 seats in the bicameral Congress. In recent months more than 350 Patriotic Union militants, including two congressmen and several municipal aldermen, have been murdered.

6 SOLDIERS, 5 GUERRILLAS DIE IN ANTIOQUIA CLASH

PA020405 Bogota Television Service in Spanish 0100 GMT 1 Nov 86

[Text] Six soldiers and five subversives have been killed in clashes at Las Camelias, jurisdiction of Carolina Municipality, Antioquia Department, 110 km from Medellin. A communique issued today by the 4th Brigade indicates that Lieutenant Luis Fuentes Gomez and five soldiers of the Cartagena Battalion were killed. The dead insurgents -- four men and a woman -- belonged to the National Guerrilla Coordinating Board. The inhabitants of Carolina are afraid there will be further fighting.

GARCIA VOWS TO PUNISH, REPRESS TERRORISM

PY011515 Lima Television Peruana in Spanish 0100 GMT 1 Nov 86

[Text] The full weight of the law will fall on terrorists. President Alan Garcia Perez this afternoon stressed the need to create special courts and appoint special judges for trying terrorists and for speeding up trials. The president made this statement after meeting with Supreme Court President Hector Beltran Rivera and with Court justices at the Court Palace. President Garcia announced the creation of special courts and the appointment of judges who will receive appropriate protection, so that they may punish terrorists for their crimes.

Garcia, who was accompanied by Interior Minister Abel Salinas and Justice Minister Carlos Blancas Bustamante, stayed at the Court Palace for over 1 hour.

[Begin Garcia recording] I visited the Court Palace and the Supreme Court president this afternoon. The country has been shaken by terrorism. Society feels defenseless against it. We want to punish and repress terrorists and criminals.

On 31 October I heard a priest quoting Saint Paul as saying that God forbids but he punishes. Society must punish, but our legal system has failed to properly punish crime. Consequently, society feels defenseless, because it has failed to apply the strict punishment that is needed to put an end to this situation. Terrorists avail themselves of the law to receive benevolent treatement and to evade punishment. They serve only 1/3 of their prison terms -- that is, they are released before serving the entire term It is seldom possible to find evidence to indict them, and they intimidate policemen and judges, who are defenseless. Therefore, we must join our efforts. The supreme Court and the judicial branch should coordinate actions with the executive and legislative branches. The country is asking for justice. This bloodshed and the economic losses caused by terrorism must end immediately. That is why I came here.

I believe this is the first time in a long period that a president has visited the Court Palace to put forward a proposal to the Supreme Court president and to the Judicial Branch. We need special, properly protected courts, made up of judges who should be willing to act on behalf of society. They must be properly protected to avoid intimidation and coercion. We must modify our procedures, so that the terrorists and the perpetrators of death no longer profit by what they call presumptions. We must speed up the trials and impose more severe penalties.

These provisions are included in the draft laws that we will submit to Congress next week, after consulting with the Judicial Branch and the Supreme Court president. We need special courts and special judges, who will enjoy proper protection and who should be willing to impose penalties.

Trials and proceedings must also be accelerated and penalties extended. The murderer of Admiral Geronimo Caferatta, who was a friend of mine, had been released shortly before the attack that claimed the admiral's life, because there was no evidence to indict her.

However, she had been arrested even before that date. How long will Peruvian society bear these maneuvers, deceptions, and hypocrisies? We must not be afraid of imposing penalties. The more drastic and strict the penalty, the more respect society will command, and the more security Peruvians will enjoy.

The worst thing that can happen to a country is to lose fear of the law, the judges, and the instruments of justice. Therefore, we must enforce a policy of social discipline, putting an end to a situation in which terrorists are jailed and later released to sow death and economic loss.

I want to tell you that Dr Beltran and other justices and judges have positively reacted to our proposal, displaying willingness to guide and cooperate with us. I believe that if the Executive Branch, the chief of state, and the Judicial Branch -- which must act independently with regard to the new laws against terrorism -- couple their efforts with the moral authority for Congress, we will be able to confront those who must be properly repressed and punished. The police are gradually identifying those people through the work of the Joint Command.

I can tell you that the battle against those of you who are on the wrong side -- murderers and terrorists -- will be very hard. Yet I can assure you that the government will do everything in its power to punish and repress terrorism, which is what society wants, and to once and for all wipe out the scourge of terrorism, no matter what and no matter who. [end recording]

GARCIA RETURNS FROM ARGENTINE SOLIDARITY VISIT

PY041241 Paris AFP in Spanish 0441 GMT 4 Nov 86

[Text] Lima, 3 Nov (AFP) -- President Alan Garcia returned to Peru tonight following his trip to Argentina to express solidarity over the Malvinas Islands problem. The presidential DC-8 plane arrived at Lima airport at 2315 local time (0415 GMT). Garcia was welcomed by his ministers and the main authorities of the country.

Garcia traveled to Argentina this morning to express his support to the Argentine people following Great Britain's decision to create a 200-mile maritime administration zone around the Malvinas Islands. The congressmen who represented all political organizations of the country, and who made up the delegation, arrived together with the president of the republic following his 8-hour trip to Argentina. [sentence as received]

PATH KILLS TWO VIGILANTE LEADERS IN PATAPATA

PY281428 Paris AFP in Spanish 0048 GMT 28 Oct 86

[Text] Lima, 27 Oct (AFP) -- Police sources have reported today that two peasant vigilante group leaders were killed by Shining Path guerrillas in the town of Patapata. About 21 armed men and women this morning took over the town and killed the deputy district governor and the chairman of the peasant vigilante group committee. They later proceeded to cut the hands off the bodies. Patapata is a town located 97 km north of Ayacucho.

Two Shining Path activists were arrested by soldiers in the Tocto area 67 km from Ayacucho as they were stopping vehicles and forcing them to pay a toll. A female subversive armed with a submachine gun was arrested in Lima but two men with her escaped. The group was found near a school near the War Ministry. In Huancayo, 310 km east of Lima, people this morning found walls covered with placards bearing pictures of guerrilla leader Luis de la Puente, who was killed in October 1965. The placards also show CRP (People's Revolutionary Command) [Comando Revolucionario del Pueblo] and MIR (Movement of the Revolutionary Left) slogans.

BROAD FRONT LEADER SENDS SUPPORT TO ALFONSIN

PY041751 Paris AFP in Spanish 1436 GMT 4 Nov 86

[Text] Montevideo, 4 Nov (AFP) -- General Liber Seregni, president of the Uruguayan Leftist Broad Front, has sent a note to the Argentine Government expressing solidarity and his fervent support for the new conflict between Buenos Aires and London over the Malvinas Islands.

The note, sent to President Raul Alfonsin, termed the British decision to establish a 150-mile fishing preservation area around the islands as a new form of colonial aggression. Now more than ever the defense of the South Atlantic as a zone of cooperation and peace must unite all Latin Americans, Seregni stated in his note.

SENATOR CANCELS TRIP TO LONDON 'OVER FALKLANDS'

PY041451 Madrid EFE in Spanish 0249 GMT 4 Nov 86

[Text] Montevideo, 4 Nov (EFE) -- Juan Raul Ferreira, president of the Senate International Affairs commission, cancelled his trip to London to show solidarity with the Argentine claim of sovereignty over the Malvinas Islands.

Senator Ferreira, who belongs to the main opposition in Congress, the National (Blanco) Party, was invited by the British Government to visit London. His secretary confirmed that his trip has been canceled. Ferreira will officially communicate his decision to the British Embassy in Montevideo tomorrow.

According to political and media sources, the cancellation of the trip was an "indirect" consequence of the new dispute in the South Atlantic caused by the British decision ot establish a 150-mile fishing exclusion zone around the Malvinas Islands.

BRIEFS

ALGERIAN TRADE AGREEMENT -- Uruguay today signed a trade agreement with Algeria to supply the Algerian market with 1,500 square feet of leather, 400 tons of tobacco, and 1,500 tons of tallow, sunflower oil, and beef. The agreement was signed by Minister of Industry and Energy Jorge Presno and his Algerian counterpart who is visiting Uruguay. [Summary] [Montevideo Radio Carve in Spanish 0000 GMT 29 Oct 86 PY]

CIES VICE PRESIDENT — Alfredo Plata was today elected Inter-American Economic and Social Council [CIES] Executive Board Vice President. Alfredo Plata is the Uruguayan delegate to the regional organization. [Summary] [Montevideo Radio Carve in Spanish 0000 GMT 29 Oct PY]

BROAD FRONT DEPUTY DIES -- Broad Front Deputy Jorge Andrada Ambrosoni has died of a cerebral hemmorhage in Saltos City. [Summary] [Montevideo Radio Carve in Spanish 0930 GMT 25 Oct 86 PY]

CENTRAL BANK RESERVES INCREASE -- The Uruguayan Central Bank has reported that its international reserves have increased by $43 million in September. The total increase during the first 9 months of the year amounts to $207.9 million. The Central Bank's total reserves now stands at $643 million. [Summary] [Montevideo EL DIA in Spanish 16 Oct 86 p 12 PY]

VISITING CUBAN EDUCATION MINISTER INTERVIEWED

FL041732 Mexico City NOTIMEX 0123 GMT 4 Nov 86

[Text] Mexico City, 3 Nov (NOTIMEX) — The Cuban people and Government have always supported all just causes and unconditionally support the Argentines in their struggle to recover the Malvinas Islands. This was expressed today by Cuban Education Minister Jose Ramon Fernandez who attended the reopening ceremony of the Jaime Nuno Primary School located in Pedregal subdivision. This school was rebuilt with Cuban funds.

Interviewed at the end of the ceremony, the Cuban official indicated that when the Malvinas Islands conflict was declared his country expressed its solidarity with the Argentine people and Government. Asked about his opinion on the U.S. congressional elections, Jose Ramon Fernandez said the whole world will have hope of being able to live in peace if the Democratic Party wins, because President Ronald Reagan's mad imperialist drives would be stopped. He added that his country unconditionally supports and will support any policy that opposes the crazy policies of the current U.S. President who is trying to lead mankind into a holocaust.

Regarding the pressures Mexico is being subjected to by the U.S. Government, Fernandez said Mexico has shown strength, integrity, and has proven its capabilities to struggle, its freedom-loving spirit that enables it to defend itself from any kind of attack no matter where it comes from.

NINE SOLDIERS KILLED IN OPERATIONS

FL311845 Mexico City NOTIMEX 1700 GMT 31 Oct 86

[Text] Mexico City, 31(NOTIMEX) — During the last 20 days, a Mexican Armed Forces spokesman said nine of the Mexican Army died while fighting drug trafficking. General Mario Gamboa, commanding officer of the 21st Military Zone in Michoacan State, said casualties took place in operations known as Condor and Panther carried out in western Mexico.

The commanding officer said 1,000 hectares of poppy and marijuana have been destroyed in these areas. The totals approximately 1,000 hectares [as received] during the period between 10 October and 24 October. Eighty-eight alleged drug traffickers were captured, the army official said.

BRIEFS

GASOLINE PRICES INCREASE—New gasoline prices were enforced today. Ignacio Armida, president of Mexico City's chamber of Commerce, asserted that the 12.8 percent increase is part of the plan to put public finances on a sound basis. He added that the increase in no way implies indiscriminate hike in prices. Likewise, Senator Angel Aceves Saucedo added that the increase in gasoline prices is an unpopular measure, but necessary as it is in the social development programs. [Summary] [Mexico City Red Nacional de Television in Spanish 1955 GMT 29 Oct 86 PA]

GOVERNMENT REPORTEDLY SEEKS CORBACHEV VISIT

PA041456 Panama City EXTRA in Spanish 4 Nov 86 p 1

[Text] Sources close to the Foreign Ministry have reported to EXTRA that the Panamanian Government is making efforts to see if USSR President [as published] Mikhail Gorbachev will visit our country during his announced visit through several Latin American countries.

As is public knowledge, President Gorbachev -- who is also general secretary of the CPSU -- announced he will shortly travel to Mexico, Brazil, and Argentina, making a service stop in Panama for a few hours. However, the source -- who requested he not be identified -- told us our country is making contacts so he will extend his visit at least a couple of days.

According to the source, our government's measure is an act of pressure or blackmail against the U.S. Government for the repeated attacks by the U.S. intelligence authorities against the high-ranking members of the military hierarchy ruling us for the last 18 years.

BELIZE

GUATEMALANS 'WILLING TO RECOGNIZE' INDEPENDENCE

FL041838 Bridgetown CANA in English 1831 GMT 4 Nov 86

[Text] Belmopan, Belize, Nov 4 CANA -- Belize and Guatemala appear to have edged closer towards some kind of direct contact to settle a more than a century-old boundary dispute that initially stalled Belizean independence from Britain and has kept a strong British military garrison in Central America's only English-speaking state.

Senior officials here said today the new Guatemalan administration of President Vinicio Cerezo had shown a willingness to recognize Belize's existence, though stopping well short of abandoning his country's claim to large tracts of Belize. The position is that Guatemala is available to discuss with Belize a solution to the problem, one senior official here told CANA. They are willing to recognise the fact that Belize is a separate entity, and are willing to discuss future relations, the official added. The official, in turn, cited Belize's long-standing offer to negotiate a settlement directly with Guatemala, a move previous Guatemalan administrations have steadfastly avoided.

But the emergence of Guatemala's first democratically-elected government in more than 30 years has clearly improved the climate for a peaceful settlement, and prompted NEW BELIZE, the official government publication here, to declare recently that conditions for settlement have never been better.

Government officials here said, however, that the fresh Guatemalan approach to the problem, apparently expressed by President Cerezo himself, has not been formally communicated to the Belizean Government.

But, officials added that since the resumption of consular relations between Britain and Guatemala recently, Belize has had the services of an intermediary to Guatemala.

Meanwhile, in a significant indication of changing times, Belize will send a delegation of observers to next week's annual general assembly of the Organisation of American States (OAS) to be held in Guatemala City. The Belizeans were invited by the OAS itself, but the Government of Guatemala had the option of refusing entry to the Belizean delegation, an official here explained.

However, the Guatemalans have indicated they will have no objection to the Belizean presence in Guatemala City, the official added. We feel quite comfortable sending a delegation, and we are always available for any bilaterals, the official declared.

The Belizean delegation is, however, expected to be a somewhat low level team, probably led by the country's ambassador to the United States.

The continuing Guatemalan claim to Belize, coupled with the threats by previous Guatemalan Governments to invade Belize, frustrated this country's move to political independence. However, under-pinned by strong support from most United Nations members, including the entire Caribbean Community (Caricom), Belize became independent from Britain in September 1981.

There is still a strong British military presence in the country, composed mostly of ground combat troops, but also including helicopters and Harrier vertical takeoff and landing fighter aircraft. Britain is also playing a key role in training and equipping the Belize defence force which includes ground units, and a modest air wing of mostly non-combat type aircraft.

ESQUIVEL OUTLINES ECONOMIC RECOVERY PROJECTS

FL041628 Bridgetown CANA in English 1538 GMT 4 Nov 86

[Text] Belmopan, Belize, Nov 4, CANA -- Belize Prime Minister Manuel Esquivel has offered an optimistic appraisal of the country's economy in the two years since his administration assumed office, and he has promised an exciting year of progress ahead.

Dr Esquivel, whose United Democratic Party (UDP) swept to power in a landslide election victory in December 1984, complained of political and economic obstacles the Government inherited from the previous administration.

In spite of the difficulties, we have overcome. We have made positive strides and we have opened up the future for our people, he declared in a recent speech in Belize City, reported in the current edition of NEW BELIZE, the official publication of the government information service.

Esquivel said the International Monetary Fund (IMF), which provided Belize with some economic props earlier, had praised the Government's economic programme which it supported, and which it said achieved the objectives of strengthening Belize's foreign reserves, wiping out foreign debt arrears and lowering government reliance on foreign commercial borrowing.

Reciting a list of projects, mostly in agriculture, which are either on the drawing board or about to be implemented, Esquivel said that an acceleration of economic activity would create jobs and exports which Belize needs to achieve financial independence. But he warned that economic recovery was not a painless process, and that there will be no miracles.

There will be greater economic stability, more investment, important construction activity, and more jobs. 1987 promises to be an exciting year of progress, Esquivel added.

Dr Esquivel indicated that the accelerated economic activity will be mostly in agriculture. New investments in banana, winter vegetables, citrus, soya beans, and shrimp farming have been made in the past year.

Hotels and other tourist services, as well as timber, dairy production, and garment and coffee manufacturing also benefitted from new investments. A new facility to produce white sugar is being constructed, and should start production by next spring.

Dr Esquivel announced that, in collaboration with the United States Agency for International Development (USAID), an agricultural diversification project has been launched in the northern districts. The project will cost BEL13 million dollars (1 BEL doll; 49 cents U.S.) in the next five years, and is designed to get farmers into winter vegetables and tropical fruit, specifically for the North American market.

Another major agricultural project is a BEL11-million dollar programme to assist 1,400 small farmers to increase rice production and improve facilities at their rice mill, Dr Esquivel added.

Dr Esquivel also announced that the European Economic Community is financing design of a new general hospital for the coastal city of Belize City, which is the country's commercial centre, and which served as its administrative capital until the construction of Belmopan further inland.

The World Bank will finance expansion and improvement of electricity services, while the country's telecommunications authority will launch a largescale project to improve and expand its telephone services.

Meanwhile. Belize's social security scheme will invest BEL1.3 million dollars for low income house construction. Some 75 houses will be constructed in the first phase of the project.

CDB APPROVES $3 MILLION LOAN, $97,000 GRANT

FL040420 Belize City Domestic Service in English 0100 GMT 4 Nov 86

[Excerpts] The Caribbean Development Bank, the CDB, has approved its first loan [words indistinct] since the new government eliminated arrears and overdue debts owed to the bank.

At a meeting at CDB headquarters in Barbados last Thursday, October 30, the CDB board of directors approved a loan of some U.S. $3 million to Belize. [passage omitted]

The Caribbean Development Bank has also approved a grant of some U.S. $97,000 from the pre-investment program administered jointly by the CDB and the Inter-American Development Bank. [passage omitted]

COSTA RICA

MADRIGAL CHIDES CONTADORA, MARKS BILATERAL TIES

PA300410 Hamburg DPA in Spanish 2158 GMT 29 Oct 86

[Text] Mexico City, 29 Oct (DPA) -- Costa Rican Foreign Minister Rodrigo Madrigal Nieto today described the peace and development document drafted by the Contadora Group as "interventionist."

He added that, although this document has noble and positive aims, it gives the Contadora Group member countries (Colombia, Panama, Mexico, and Venezuela) a "noble trusteeship" which should not exist.

Madrigal Nieto made these statements during a visit to the Aztec capital, where he and his Mexican counterpart, Bernardo Sepulveda Amor, yesterday inaugurated sessions of the bilateral joint commission.

He told the press that Costa Rica maintains a "neutral position" in the Central American conflict and reaffirmed that Costa Rica will not support or lend its territory to attack its neighbors. He also advocated a peaceful and negotiated solution to the conflict and accused the Nicaraguan and U.S. Governments of maintaining "intransigent positions" which are blocking a solution.

In this regard, he reaffirmed his belief that Nicaragua does not have a democratic regime. Madrigal Nieto recalled that several Sandinist government officials support Marxism-Leninism, an ideology that, according to him, goes against democracy.

Madrigal Nieto described Nicaragua's suit at the international court in The Hague against Costa Rica as a "skillful blow." Before resorting to that forum, he said the Sandinist government should have held talks with San Jose to clear up misunderstandings.

At the bilateral level, Madrigal Nieto denied Costa Rica is drifting away from Mexico, but he admitted there is some difference in views. "Now we can refer to a new phase in our contacts after having held talks to clarify positions and clear up doubts," he pointed out.

Finally, he confirmed that Costa Rican President Oscar Arias Sanchez will visit Mexico, but did not give a date. According to unconfirmed reports, the visit will take place in December.

EL SALVADOR

GUERRILLA LEADER REQUESTS DIALOGUE RESUMPTION

PA050225 Panama City ACAN in Spanish 2227 GMT 4 Nov 86

[Excerpts] San Salvador, 4 Nov (ACAN-EFE) -- The political arm of the Salvadoran guerrillas today asked the government to resume the dialogue to end the 6-year war in the country.

Guillermo Manuel Ungo, president of the FDR in exile, said in an interview carried live [en directo] by the local radio station Radio Sonora that "the crisis has increased in the country after the quake, and therefore it is more necessary now to resume the dialogue."

"We are not asking for or advocating extremist positions; what we want and what we are struggling for is to resume the dialogue to lay the groundwork for a negotiation," Ungo said.

"We want all sectors of society to take part in the dialogue to seek rational solutions to the national crisis," the FDR president asserted. [passage omitted]

Ungo stressed that neither the FDR nor the military arm of the guerrillas, the FMLN, "have changed their position on the conflict. [no end quotation mark as received]

"We must work from the simplest issue to the most complex. What is important now is to sit down and incorporate all sectors at the negotiating table," said Ungo. He noted, however, that "the issue is not that we lay down arms, but that we surrender, as Duarte wants."

"The issue is not to discuss the legitimacy or merger of the armies; the issue is to resume the dialogue," Ungo noted.

The FDR leader explained that "despite the constant propaganda that it is winning the war, the Salvadoran Army has increasingly demonstrated its inability to defeat the guerrillas."

"Besides, the Salvadoran Army is increasingly becoming a puppet institution at the service of U.S. interests," he said.

Ungo asserted that both the Duarte administration and the Salvadoran Army have become suppliers of the Nicaraguan "contras" who are trying to overthrow the Sandinist government.

The political leader of the Salvadoran guerrillas described the Christian Democratic government's position of using the territory as a base to train and to provide logistical supplies to the contras as "irresponsible and regrettable."

OQUELI BLAMES GOVERNMENT, U.S. FOR FAILURES

PA041531 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 4 Nov 86

[Text] Madrid -- The Revolutionary National Movement, MNR, of El Salvador has reported the Salvadoran Government is chaotic and this was shown by the recent earthquake, the capture of Hasenfus -- a U.S. citizen -- in Nicaragua, and the foiled dialogue with the guerrillas. Hector Oqueli, international secretary of the MNR, stated during an interview this situation shows that in El Salvador there are forces above the government that make the decisions. He said these forces are the Army and the Reagan administration.

Oqueli, who is on a tour through Europe to inform political forces and governments about the situation in El Salvador, today met here with Presidency and Foreign Ministry officials. In analyzing the situation, the MNR leader referred to the capture in Nicaragua of U.S. citizen Eugene Hasenfus, when the plane that was supplying arms to the contras, which had taken off from El Salvador, was downed.

With this event, the argument that Sandinist government helps the Salvadoran guerrillas has been turned around because it has become obvious that it is the Salvadoran Government who nelps the contras by permitting the U.S. arms supplying operations.

Regarding the October quake, Oqueli said it showed the government it unable to handle this type of situation because it had to turn over the aid received from a broad to the private sector for handling.

Hector Oqueli also blamed the Salvadoran Government's weakness for the failure of the dialogue between the government and the FMLN-FDR. He said the Sesori meeting scheduled for 19 September did not take place because the Army seized the area which had been selected for the meeting precisely because there was no military presence there. He said Sesori was occupied by forces under Mauricio Roberto Estaben and the situation would not have had such repercussions had it not been for the fact that Estaben has been linked to the death squads and to the kidnapping of millionaires for whom he would later demand ransom, activities that have been denounced by the U.S. Government and over which he had been in prison until May, when he was released.

The MNR leader said the occupation of Sesori took place to create a situation that would serve as an excuse for not holding the dialogue. He said: The FMLN-FDR only demanded the demilitarization of the area where we were going to speak about peace. Oqueli said this situation shows there is chaos in the government and there are forces above the government that make the decisions. These forces are the Army and the Reagan administration.

After pointing out that El Salvador receives $1.5 million daily from the United States -- a fact that places El Salvador in 5th place worldwide as a recipient of aid -- the MNR leader said this situation gives the impression that both the Salvadoran Government and the Reagan administration want a military solution.

He said this is the context of his current tour through Europe, which includes visits to the FRG, Italy, Netherlands, Belgium, Great Britian, and Spain in a search for support for a peaceful solution in El Salvador.

In analyzing the possibility of reestablishing a dialogue with the government, Oqueli said mechanisms for continuing the dialogue should be established because the country is tired after 6 years of war. We have to guarantee, he said, that this will not be a make-believe dialogue. We believe, he said, that until now, the government has tried to use the dialogue for propaganda purposes.

PLAN AIMS TO MOVE GUERRILLAS, VIOLENCE CONTINUES

PA041902 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 4 Nov 86

[Text] According to military sources, last month the Salvadoran guerrillas suffered 124 casualties in clashes resulting from a civic-military plan the Army is implementing to clear-up battle areas and promote their reconstruction. The FMLN casualties include: 67 dead, 47 wounded, 8 deserters, and 2 prisoners.

In October, the Army seized from the FMLN: 58 rifles, 7 rocket launchers; 1 light machinegun; 1 submachinegun; 3 pistols; 38 mines; and other war materiel, according to Coprefa.

Both the casualties and the arms seizures resulted from the Armed Forces' continuous operations searching for guerrilla hideouts. Such search operations are being conducted within the framework of the plan called United To Reconstruct. The plan was organized by the Army and went into effect in May. The plan is characterized by continuous operations, political propaganda aimed at townspeople and guerrillas, as well as other civic and military activities.

The objective of the United To Reconstruct plan is to clean out the guerrillas from the combat zones, and repopulate those areas, reactivating the economy and reconstructing the works and services destroyed in the violence. The plan has the support of the government, cooperatives the church, the private enterprise sector, and political parties.

According to Armed Joint Chiefs of Staff Commander General Adolfo Blandon, counterinsurgency operations have continued in various parts of the country despite the fact that Army troops have been busy providing assistance to victims of the 10 October earthquake.

In the past days, the guerrillas have killed 15 peasants, injured 21, and kidnapped another 57 in various parts of the country. The guerrillas have also destroyed 3 telecommunication offices, 1 Credit Bank [Caja de Credito] installation, 6 power poles and 11 power pylons, most of them in the country's northern and eastern regions. The FMLN is maintaining its campaign of attacking Army posts and patrols and sabotaging the electricity service.

At dawn yesterday, there were clashes between rebel columns and government troops on the outskirts of San Jose Las Flores in the northern department of Chalatenango, but the results, according to military sources, are not known yet. Currently, the northeastern area of Chalatenango and the northern region of the eastern department of Morazan are being searched by specialized battalions and other Army units. These two departments have been the main strong holds of the guerrillas since they initiated their activities some 6 years ago.

HONDURAS

CONTRAS AMBUSH EPS IN EL PARAISO DEPARTMENT

PA041434 Tegucigalpa LA TRIBUNA in Spanish 3 Nov 86 p 9

[Text] There were over 60 Sandinist casualties when the Nicaraguan contras ambushed approximately 1,000 EPS [Sandinist People's Army] members who entered Honduran territory in the area of Capire, El Paraiso, 12 km from the border.

Radio station HRN [Voz de Honduras] reported that "heavy combat with artillery fire" broke out between the two groups as of 1000 on Friday and continued until Saturday at noon. The station added the Honduran Army did not participate.

According to the report the station said was based on completely reliable sources, "several contra companies were pursued into Honduran territory by the EPS in the southern part of Yamales, Las Trojes, and Capire," in El Paraiso Department.

The ambush took place 2 km inside Honduran territory and, as a result, the contras inflicted over 60 casualties on the EPS, it was reported.

The number of contra casualties was not given, but the sources said the contras suffered fewer casualties than the EPS.

As of noon on Saturday, "the Sandinists had fled in disarray and were still being attacked 2 km inside Honduran territory," the radio station added.

As opposed to the strong Sandinist incursion of last March when Honduran troops were transferred to the Capire area in U.S. helcopters, this time only the contras and the Sandinists participated in the clashes.

The area of Capire and Yamales is occupied by some 12,000 contras, according to the residents who have been displaced as a result of the clashes.

Several displaced people said last week in Danli the "war between the contras and the Sandinists" began 2 weeks ago last Friday, and the situation was provoking a new exodus of Hondurans to the interior of the country.

NICARAGUA

GARCIA PRESENTS CHINESE, FRG WEAPONS TO JUDGE

PA040309 Panama City ACAN in Spanish 0107 GMT 4 Nov 86

[Excerpts] Managua, 3 Nov (ACAN-EFE) -- The plane in which U.S. citizen Eugene Hasenfus was traveling was carrying weapons of Chinese and West German manufacture, it was reported here today.

Sandinist Lieutenant Esteban Garcia, summoned by the judge who is building up the case against Hasenfus in the Anti-Somozist Peoples Tribunals, presented a report on the weapons and supplies which the C-123K plane was carrying when it was shot down by a ground-to-air missile on 5 October. The items found included: 70 to 100 AKMS rifles; 1,000 to 1,500 rounds for those weapons; 70 RPG-7 grenades; 1 M-60 machine gun; 250 pairs of jungle boots; 40 razors; and various documents.

In the presence of Hasenfus, Garcia showed and described the weapons as well as the technical and tactical use of the armament, which was intended for the anti-Sandinist rebels who are active in southeastern Nicaragua.

The Attorney General's Office reported that Hasenfus was carrying out one of the "most important and vital tasks in the aggression against Nicaragua, namely, that of supplying materiel indispensable to continue the war against this country. [passage omitted]

The expert showed and identified the handgun that Hasenfus was carrying at the time of his capture. He said it was a Chinese-made Bonnett TT 7.62-caliber pistol. [passage omitted]

According to the expert's testimony, the only U.S.-made materiel found were some clips for AKM rifles, magazines, gun slings, pistol belts, and jungle boots. [passage omitted]

ORTEGA CONGRATULATES MOZAMBIQUE'S CHISSANO

PA040344 Managua Domestic Service in Spanish 2233 GMT 3 Nov 86

[Message sent by Nicaraguan President Daniel Ortega to Joaquim Chissano, new president of Mozambique, read by (Marlik Rojas) at the Directorate of Information and Press of the Presidency of the Republic, in Managua]

[Text] Managua, 3 November 1986

25 years later, all weapons against aggression

Companero Joaquim Alberto Chissano, president of Mozambique and of the Mozambique Liberation Front, Frelimo

Dear Companero Chissano:

In the name of the FSLN and the Nicaraguan Government and people, I am pleased to congratulate you on the occasion of your appointment as president of the People's Republic of Mozambique and of the Mozambique Liberation Front, Frelimo.

With the example and guidance of companeros Eduardo Mondlane and Samora Moises Machel, I am sure your administration will continue to lead the Mozambican people down a path along which they will bolster their achievements and consolidate and defend the new, prosperous, and just society for which they fought and gave their lives.

In the same manner, I reiterate to you the similarity of our purposes and common goals in the struggle against imperialist domination, neocolonialism, and racism; and the firm decision to support you, Frelimo, and the Mozambican Government and people at this moment of great historic importance.

Free fatherland or death, the struggle continues

[Signed] Daniel Ortega Saavedra

FSLN'S TIRADO CELEBRATES ANNIVERSARY IN HAVANA

PA040415 Managua BARRICADA in Spanish 1 Nov 86 p 1

[Communique issued by the FSLN National Directorate in Managua on 1 Nov]

[Text] The FSLN National Directorate announces the following: Commander of the Revolution Victor Manuel Tirado Lopez, member of the FSLN National Directorate, will head the FSLN delegation that will attend the main ceremony sponsored by the Communist Party of Cuba (PCC) in Havana, Cuba on 3 November to celebrate the 25th anniversary of the FSLN and the anniversary of the fall of Commander Carlos Fonseca, the leader of the Sandinist people's revolution.

The delegation is also made up of members of the Sandinist assembly: Flor de Maria Monterrey, Edgardo Garcia, Lucio Jimenez, and Daniel Nunez.

National Directorate of the FSLN, Managua 1 Nov 1986.

"1986: 25 years later, all weapons against aggression"

Speaks at Honorary Ceremony

PA041402 Managua Domestic Service in Spanish 1200 GMT 4 Nov 86

[Text] Commander of the Revolution Victor Tirado Lopez yesterday said in Havana that the Nicaraguan people are ready to repel foreign troops if, despite the worldwide rejection of its aggression, the United States decides to invade Nicaragua.

The revolutionary leader attended the event held by the Communist Party of Cuba to pay tribute to the 25th anniversary of the founding of the FSLN and the 10th anniversary of the death of Commander Carlos Fonseca Amador, leader of the revolution.

Commander of the Revolution Tirado Lopez asked the Central American presidents, especially those of Honduras, Costa Rica, and El Salvador, not to join Reagan's interventionist policy.

U.S. PREPARES NICARAGUAN 'MILITARY AGGRESSION'

PA041214 Havana International Service in Spanish 0000 GMT 4 Nov 86

["Our America" commentary]

[Text] Quite a few analysts feel that the next few days will be decisive, insofar as a U.S. military aggression against Nicaragua is concerned. According to the Costa Rican independent weekly UNIVERSIDAD, the invasion would take the form of air and naval cover in order to facilitate the actions of the counterrevolutionary groups based in Honduras. It does not rule out, however, the involvement in the conflict of the so-called U.S. rapid deployment contingents and forces like the 82d Airborne Division, which will be stationed on Honduran soil in the next few days for the alleged purpose of carrying out military maneuvers.

Other factors that are turning the situation red hot are the increasingly barefaced statements by senior officials of the Reagan administration to the effect that there is no other option but war with Nicaragua. Elliot Abrams, U.S. assistant secretary of state for Inter-American affairs, is one of those spokesmen who does not hesitate to speak his mind. During a recent visit to Costa Rica, he did not hide his mission of pressuring Oscar Arias' government into joining the military actions against the Sandinist revolution. The demands were such that Costa Rican Security Minister Hernan Garron could do nothing but admit that large-scale U.S. actions against Nicaragua are expected.

The statements coincided with maneuvers by the yankee forces in the Panama Canal for the mass evacuation of dead and wounded from somewhere in Central America. However, Abrams went even further and said on 1 November in Montevideo that the Nicaraguan Government can only be subdued through war. As usual, he lunged against the Sandinists with vulgar epithets, ending his diatribe with the assertion that the United States rules out any negotiation in the case of Nicaragua, including that of the Contadora Group.

Meanwhile, on the war front things are not going well for the Reagan-sponsored freedom fighters. The counterrevolutionary spokesmen bombastically announced large-scale operations along the southern Honduran border and on 24 October launched their vaunted offensive, encouraged by the $100 million granted by Washington and another fabulous amount arranged for by the CIA.

The enemy was repelled in heavy fighting and left approximately 80 dead and 120 wounded in the field. The Sandinist forces lost 21 men and 16 were wounded. Bewildered, the counterrevolutionary spokesmen have talked of a precise use made by the Sandinists of their artillery fire and are looking everywhere for direct support from the United States, through which they intend to at least consolidate a permanent base on Nicaraguan soil.

These factors make the picture even more dangerous, if one bears in mind that Nicaragua is an obsession for Reagan and that in his futile desire to dominate it he may go so for as to take irrational steps. Latin American public opinion, and especially that of the United States, must be on the alert during these hours when the White House's demented violence is apparently leading the Central American situation up a blind alley.

RISQUET MEETS URUGUAYAN SOCIALIST DELEGATION

FL041419 Havana Tele-Rebelde Network in Spanish 1200 GMT 4 Nov 86

[Text] Jorge Risquet Valdes, Party Politburo and Central Committee Secretariat member, has received in Havana a delegation from Uruguay's Socialist Party. Senator Reinaldo Garcano, secretary general of the Uruguayan Socialist Party, discussed with Risquet matters of mutual interest regarding relations between the two countries and aspects of the Latin American situation. Hugo Rodriguez, founder of the Socialist Party of Uruguay, also participated in the meeting.

RISQUET MEETS KOREAN WORKERS PARTY DELEGATION

FL050215 Havana Television Service in Spanish 0100 GMT 5 Nov 86

[Text] A fraternal meeting was held today by Jorge Risquet, member of the Communist Party of Cuba Politburo, and Yi Chong-ok, member of the Korean Workers Party Politburo and DPRK vice chairman. The Korean Workers Party delegation is in our country en route to Nicaragua to participate in the activities commemorating the 25th FSLN anniversary and the 10th anniversary of the death in combat of Carlos Fonseca Amador.

During the meeting, Yi Chong-ok gave Risquet his impression of the tours through Cienfuegos and Havana City Provinces. He also referred to DPRK achievements in the construction of Socialism and the existing attention given to the Korean penninsula as a result of the manuevers carried out by the United States, which occupies the southern part of the country, and the puppet-regime's repression against the students and people of South Korea.

CUBAN EDUCATION MINISTER ARRIVES IN MEXICO

FL032106 Havana Radio Reloj Network in Spanish 1907 GMT 3 Nov 86

[Text] [Education Minister] Jose Ramon Fernandez, vice president of the Cuban Council of Ministers, has arrived in Mexico City where he will inaugurate education centers constructed with Cuban assistance for the victims of last year's earthquakes. The first of those schools, constructed with $2 million in Cuban aid to the Mexican Education Secretariat, will be inaugurated today.

Upon his arrival in Mexico City, Fernandez told the press that up to this time the Contadora Group has prevented a U.S. invasion against Nicaragua, and he said Washington continues its dirty war against Managua. The Cuban minister warned that it would be very difficult for the United States to intervene directly in Nicaragua and he recalled that the Nicaraguans previously repelled the Marines during the era of Augusto Cesar Sandino.

Education Ministers Open School

FL040344 Havana Television Service in Spanish 0100 GMT 4 Nov 86

[Text] Cuban and Mexican Education Ministers Jose Ramon Fernandez and Miguel Gonzalez Avelar, respectively, today inaugurated the first of 22 schools, constructed in the Aztec nation with Cuban assistance, for victims of the 1984 [as heard] earthquake. Fernandez, also vice president of the Cuban Council of State, said the donation is a demonstration of brotherhood and friendship between the two peoples and assured that the difficult moments experienced by Mexico are also difficult for our country.

FRG PARLIAMENTARIAN CALLS FOR COOPERATION

FL042155 Havana Radio Reloj Network in Spanish 1925 GMt 4 Nov 86

[Text] Today in Bonn, Heinz Westphal, vice president of the FRG Bundestag, called for cooperation with Cuba in aiding the Third World. Upon returning from a trip that included visiting our country and Costa Rica, Westphal, who headed a parliamentary delegation, said that cooperation could be in the form of medicine or instruments needed by Cuban internationalist doctors who work in the Third World. The Bundestag vice president said the aid could be carried out by FRG foundations to benefit a Third World country and explained that Cuba presently has cooperation programs with the Netherlands, Sweden, and Canada. Westphal, a Social Democrat, said he was in favor of actions to increase trade between our country and the FRG.

BULGARIAN, CSSR, SLOVAK LEADERS ARRIVE

FL040330 Havana Radio Rebelde Network in Spanish 0015 GMT 4 Nov 86

[Text] Dimitur Stoyanov and Vratislav Vajnar, interior ministers from Bulgaria and the CSSR, respectively, arrived today in Havana for an official visit. The two leaders were met at the airport by Division General Jose Abrahantes, member of the Central Committee and Cuban interior minister. Viliam Salgovic, member of the Communist Party of Slovakia Central Committee and chairman of the National Slovak Council, also has arrived in Havana. Flavio Bravo, member of the Central Committee and president of the National Assembly of the People's Government, welcomed the Slovak delegation.

USSR BUILDS VAPOR GENERATOR FOR NUCLEAR CENTER

FL050238 Havana Television Service in Spanish 0100 GMT 5 Nov 86

[Text] The first vapor generator for our country's electronuclear center was constructed at the (Orzonikatz) Machinery Factory located in the Podolsk area of Moscow. The designers had to resolve complicated technical problems related, above all, to the operational conditions of the center in a tropical climate, new [problems] for the Soviet enterprises.

VIETNAM SIGNS RADIO, TELEVISION AGREEMENT

FL031719 Havana Radio Reloj Network in Spanish 1504 GMT 3 Nov 86

[Text] A cooperation agreement between Cuba and Vietnam radio and television was signed today in Hanoi by the top leaders of the two countries in that sphere of work. The document provides for an exchange of experiences, training of technicians in producing documentary films, as well as cooperation in international broadcasts.

SUGAR CENTERS CRITICIZED FOR RESERVING RESOURCES

FL050219 Havana Television Service in Spanish 0100 GMT 5 Nov 86

[Text] The 1987 sugar harvest has just begun. Secretariat member Julian Rizo, alternate Politburo member, has pointed out directives and orientations that are necessary to apply in agriculture and industry. One of these indicates that, when speaking of effectiveness and efficiency, it is important to mention, first of all, maximum use of the installation's capabilities.

Unfortunately, in the sugar industry there still exists, with a negative force, the vicious practice of reserving capabilities, declaring less than what is on hand, and this necessarily raises a question. How many centers in the country escape that vicious practice of working the harvest by covering [capacities] (trabajar la zafra con cobertura)? Not using the available productive potential to the maximum is not just technologicallly unsound, but also morally censurable. There are many problems and difficulties that this critically bad practice brings to the harvest. Losses in the process increase as a result of the elevated retentions of juices and the unstable energy balance.

BAHAMAS

ENGLAND GIVES 3 SHIPS TO FIGHT DRUG TRAFFICKING

FL042243 Nassau Domestic Service in English 1300 GMT 4 Nov 86

[Excerpt] There is help in another area in the fight against illegal drugs: The Royal Bahamas Defense Force getting three new craft to help in that fight and those crafts arrived yesterday. The Yellow Alder, Port Nelson, and The Manner were built by Ferry Marine Limited of England and are each 108 feet long. The vessels are equipped with the latest in fire fighting, damage control, and life-saving and emergency features. Captain of the Yellow Alder, Lieutenant Commander (Bachlet le Fleur), says one of the most outstanding features of the vessels is their speed. [passage omitted]

BRIEFS

BRITISH HIGH COMMISSIONER -- The new British High Commissioner to the Bahamas Mr Colin Mays presented his letter of introduction to Prime Minister Pindling. Mr Mays is taking over from former Commissioner Mr Peter Heap who has since returned to England. [Excerpt] [Nassau City Domestic Service in English 1200 GMT 21 Oct 26 FL]

AMBASSADOR TO EEC -- The Bahamas is now officially accredited to the European Economic Community. The high commissioner to the United Kingdom, his Excellency Mr Richard (Demarit), presented his letterrs of credence to President Mrs Linda (Chopin), at the office of the Council of Ministers of the EEC organization in Brussels last month. Mr (Demarit) is the first Bahamaian ambassador to the European Economic Community. [Excerpts] [Nassau Domestic Service in English 1200 GMT 22 Oct 86 FL]

ST VINCENT

MITCHELL MARKS INDEPENDENCE ANNIVERSARY

FL282329 Bridgetown CANA in English 2315 GMT 28 Oct 86

[Text] Kingstown, St Vincent, Oct 28, CANA -- Prime Minister James Mitchell has urged Vincentians to consolidate the gains they have made since independence in 1979 and announced plans for an EC20 million dollar (one EC dollar equals 37 cents U.S.) bond issue.

In his message yesterday to mark the 7th anniversary of independence of St Vincent and the Grenadines, Mitchell said his NDP government which took power in 1984 following a sweeping victory at the polls, had restructured the country's economy and had put our house in order.

He said the nation had reason to be proud of its average projected growth rate of 6 per cent and its capacity to honour its commitment.

Mitchell said before yearend his government would be issuing EC20 million dollars in development bonds. He said government planned to expand its land reform programme and so help more people to strengthen their roots in the society.

Mitchell said his administration's policies sought to ensure that the burden of taxation was equitably borne, while relief to the needy was extended.

This year's independence celebrations were not as elaborate as last year's which coincided with the visit of Britain's Queen Elizabeth II. There was the traditional military parade at Victoria Park in the capital, Kingstown, and the Department of Culture used the occasion to focus on the culture and cuisine of the nation.

TRINIDAD AND TOBAGO

AGREEMENT REACHED ON NUCLEAR WEAPONS TREATY

FL042013 Bridgetown CANA in English 1609 GMT 4 Nov 86

[Text] Port of Spain, Trinidad, Nov 4, CANA -- Trinidad and Tobago has agreed to an international treaty designed to check the spread of nuclear weapons. The Foreign Ministry said here last night appropriate instruments for the ratification of the treaty on the non-proliferation of nuclear weapons were deposited at the United States State Department, and with the British Government on October 31. Trinidad and Tobago signed the treaty on August 20. The measures taken amount to formal accession to the treaty.

FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 215 6 November 1986

ARGENTINA

Presidential Spokesman Confirms Alfonsin's Trip B 1
Defense Ministry Denies UK Sub Sightings B 1
Caputo Reiterates Position on Falklands B 1
Bulgaria Favors Peaceful Solution on Falklands B 3
Chile Admits Concern Over Fishing Agreements B 3
Naval Dispute Explained B 4
GDR's Axen Gives Honecker's Letter to Alfonsin B 5
Military Maneuvers End; Officers Reassigned B 5
[BUENOS AIRES HERALD 3 Nov]
Justicialists Hold Elections; Replace Peron B 6
[BUENOS AIRES HERALD 5 Nov]

BOLIVIA

Congress Rejects 'Neocolonialism,' Censures UK C 1
Minister Cites Needs in Fight Against Drugs C 1
[EL DIARIO 28 Oct]

BRAZIL

Sodre Declines Mediator Role in Falklands Issue D 1
Foreign Minister Announces Meeting of Contadora D 1
Central Bank Promotes Foreign Investment Fund D 1
Ministry Denies Fiber Optics Deal With USSR D 2
[O ESTADO DE SAO PAULO 4 Nov]
Guimaraes, Sarney View PMDB Election Chances D 3
Sarney Spokesman Denies Plans to Extend Term D 3
Briefs: Cocaine Haul; Small Town Mayor Murdered D 3

CHILE

Security Forces Raid Houses, Arrest Terrorists E 1
Del Valle Discusses Falklands, OAS Conference E 2
Navy Commander Confirms Support for Argentina E 3
Leaders Create Joint Forum With Argentina E 3
[EL MERCURIO 27 Oct]
Minister Replies to Church Request on Exiles E 4

COLOMBIA

Police Foil Attempted Bombing of Power Lines [AFP] F 1
ELN Attacks Oil Pipeline in Cesar Department F 1

PARAGUAY

Stroessner Addresses Birthday Gatherings H 1
Salutes Armed Forces H 1
[EL DIARIO 4 Nov]
Notes 'Peace and Prosperity' H 2
[HOY 4 Nov]

PERU

Garcia Sees U.S. Tactic in Falklands Move [AFP] J 1
MRTA's Violent Acts Commemorate Anniversary [AFP] J 1
Shining Path Leader Arrested in Jungle Raid [AFP] J 2

URUGUAY

Senate Declaration; Ministers To View Falklands K 1
Briefs: Senegalese, Nicaraguan Ambassadors K 1

VENEZUELA

Military Investigates Police Arms Trafficking L 1
[EL NACIONAL 28 Oct]
Guayanese Official Arrives on 4-Day Visit L 2
President Meets With Yugoslavian Official L 2

CENTRAL AMERICA

BELIZE

Esquivel Defends Membership in Caricom P 1

GUATEMALA

Cerezo Refuses To Hold Talks With Guerrillas P 1
Army Supports Decision P 2
Cerezo Denies Contras Training in Country P 2
Quinonez Terms Situation 'Optimistic' After Tour P 3
[PRENSA LIBRE 5 Nov]

HONDURAS

Plan Relocates Contras, Establishes Bases P 3
[Buenos Aires REUTER]
'Biggest' Shipment of Contra Aid Arrives P 5
[Buenos Aires REUTER]
Documents Link Guerrillas With FSLN, FMLN [AFP] P 5

NICARAGUA

Borge Reports CIA 'Plans,' U.S. Maneuvers [AFP] P 6
Delegations Arrive for FSLN's 25th Anniversary P 7
[BARRICADA 4 Nov]
BARRICADA To Issue New Evening Edition [DPA] P 8
Briefs: GDR Wheat Delivery P 8

CUBA

Press Denounces U.S. Tax on Oil Imports Q 1
Abrams Remarks Show U.S. Nicaraguan 'Obsession' Q 2
U.S. Stand on Soviet Afghan Move 'Hypocritical' Q 3
Nicaragua's Borge on U.S. 'Terrorist' Plans Q 3
U.S. Supports British 'Colonial Offensive' Q 4
Foreign Ministry Communique Q 5
FMLN Member Discusses Blocked Salvadoran Aid Q 5
Risquet Meets Spanish Communist Party Leader Q 6
Visiting Palestinian George Habash Remarks Noted Q 7
Polish Delegation Arrives for Official Visit Q 7
Ambassador to Panama Concludes Diplomatic Mission Q 7
Carlos Rafael Rodriguez Analyzes CEMA Meeting Q 7

DOMINICAN REPUBLIC

Foreign Minister in Haiti for Open Border Issue R 1
Yearly Income Shows 33-Percent Increase R 1
[LISTIN DIARIO 29 Oct]

SURINAME

Rebels Threaten Users of Zanderij Airport U 1
[Rotterdam NRC HANDELSBLAD 1 Nov]
Army Announces Actions U 1
Official Criticizes Rebel 'Mercenaries' U 1
[cross-reference]

OTHER COUNTRIES

INTER-AMERICAN AFFAIRS

Andean Parliament's Garret Plans Tour [La Paz] V 1

MEXICO

De la Madrid, Cuban Education Minister Meet V 1
Cuban School Aid V 1
[EL NACIONAL 3 Nov]

PRESIDENTIAL SPOKESMAN CONFIRMS ALFONSIN'S TRIP

PY051526 Buenos Aires TELAM in Spanish 1500 GMT 5 Nov 86

[Text] Buenos Aires, 5 Nov (TELAM) -- Presidential spokesman Jose Ignacio Lopez confirmed at noon today in the Government House press room that President Raul Alfonsin is planning to make a private and academic visit to the United States from 17 through 21 November.

Lopez said that anything else is mere speculation and indicated that he is not aware of rumors that on 16 November Alfonsin will meet with his U.S. counterpart Ronald Reagan to discuss Great Britain's recent unilateral action concerning the sovereignty of the Malvinas Islands.

DEFENSE MINISTRY DENIES UK SUB SIGHTINGS

PY052012 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1840 GMT 5 Nov 86

[Text] Buenos Aires, 5 Nov (NA) -- The Defense Ministry this afternoon denied a report that two British nuclear submarines are sailing from the South Pacific toward the economic exclusion zone that Great Britain has unilaterally established around the Malvinas Islands.

A Defense Ministry spokesman stated that there is absolutely no truth to a newspaper report that submarines have been sighted off the Chilean city of Punta Arenas. The spokesman also said that "even a neophyte would know that it would be very difficult to decipher the radio signals of those vessels."

The report, citing "leaks from the official communications services of the state," also indicates that messages originating in areas close to Punta Arenas, located in southern Chile, have been intercepted.

The messages have been termed "Navy-style" messages, but no details have been provided as to whether they originated from submarines under sail, from the Malvinas Islands, or from Navy headquarters in Great Britain.

According to the report, six Soviet fishing vessels are presumably in the South Atlantic region and it is suspected that they are equipped with sophisticated communications and intercept equipment.

CAPUTO REITERATES POSITION ON FALKLANDS

PY060010 Buenos Aires TELAM in Spanish 1728 GMT 5 Nov 86

[Text] Buenos Aires, 5 Nov (TELAM) -- At noon today, Foreign Minister Dante Caputo said that Argentina wants to negotiate all aspects of the Malvinas conflict with Great Britain, without excluding the sovereignty issue, adding that the preservation of fishing resources falls within the jurisdiction of Argentina and the South American countries with coasts on the Atlantic Ocean.

Caputo delivered a speech during a closed-door session attended by the naval commanders of 16 American countries who are attending the 13th Inter-American Naval Conference at the Provincial Hotel in this city. The Argentine foreign minister talked with reporters shortly after delivering his speech, which lasted approximately 15 minutes.

Shortly before leaving the hotel, Caputo met with journalists, to whom he reiterated that Argentina's main objective is to recover the Malvinas Islands through negotiations.

Concerning the British decision to extend the exclusion zone around the Malvinas Islands, Caputo said that [word indistinct] to debate over fishing operations with Great Britain.

The minister said there is a trap, because if we agree to talk about fishing with the British, we will be recognizing that they own the islands.

He added: What they want is for us to negotiate a fishing accord for the South Atlantic. The parties would be the countries that are fishing in the area, and Argentina and Great Britain, as countries with coasts on the South Atlantic. If we do that, we will be recognizing Great Britain's right to exercise sovereignty over the islands.

Caputo explained that there is an intention of setting a juridical precedent over the islands that would entail very serious consequences for Argentina.

He reiterated that Argentina wants to negotiate all its differences with Great Britain, but without excluding the sovereignty issue. We will take care of fishing and of the preservation of resources, he added.

We believe that we can design preservation formulas with other countries, he said. As an example, he mentioned the accord reached with the Brazilian and Uruguayan foreign ministers on 1 November, which has set in motion a preservation effort in which the three countries will study the maritime environment.

Caputo described as very positive the results of the steps taken before various diplomatic forums, adding that the reports published by European newspapers, which supported the British position in the past, are now mostly in favor of Argentina.

In this regard, he emphasized the position of several countries, which, despite their initially negative attitude, are now saying that the fishing problem is not be be confused with the issue over sovereignty.

He reiterated that Argentina is a peaceful country that will in no way undertake unwise actions that may jeopardize peace.

He stressed that we have been excluded from the Malvinas Islands for 150 years, but we will continue to claim our rights over them because our position will remain unchanged.

Caputo denied that the United States has offered to mediate in the conflict. He also denied that the Argentine Government knew some months in advance about the measure that Great Britain was to enforce.

In response to a question on the last point, Caputo replied: If we say that we knew about it in advance, we will be charged with having prompted the British decision and Great Britain will appear as if it were in the right. If we say we did not know about it, it will be said we behaved unwisely.

Caputo explained that Great Britain began to work on a strategy in August or July 1985, and that it has tried to set a precedent that should be positive for its interests in the islands.

This is what we expected. We issued a response to that move and now the British Government has adopted this unilateral measure. British newspapers have reported on our position for about 1 month, he concluded.

BULGARIA FAVORS PEACEFUL SOLUTION ON FALKLANDS

PY060058 Buenos Aires DYN in Spanish 2252 GMT 5 Nov 86

[Text] Buenos Aires, 5 Nov (DYN) -- Milko Balev, head of the Bulgarian Interparliamentary Commission, today reasserted his country's support of the Argentine claims on the Malvinas Islands. He stressed that his government "favors a peaceful solution of the conflict through diplomacy," in accordance with the UN resolutions.

Balev reaffirmed Bulgaria's position of solidarity with Argentina and said that Great Britain is responsible for the conflict with Argentina created by the unilateral decision of the government of Margaret Thatcher to establish a 200-mile "economic exclusion zone" around the Malvinas.

The head of the Bulgarian Interparliamentary Commission this morning met with Vice President Victor Martinez. He was accompanied to the meeting by Bulgarian Ambassador Parvan Tchenev and embassy officials Vasil Trodanov and Ivan Petrov.

Following the meeting, Balev said that the Bulgarian Government and "Argentina have common ideas on the crisis and, therefore, we maintain our opinion that such issues must be resolved peacefully through diplomatic channels, in accordance with the UN resolutions."

The visit of the Bulgarian delegation is taking place following Great Britain's decision that worsened the conflict over the Malvinas and after the Senate ratified the fishing agreement signed by the Argentine and Bulgarian Governments -- an agreement that has been questioned by the United Kingdom.

FURTHER ON CHILEAN DELEGATE AT NAVAL MEETING

Falklands, Fishing Deals Noted

PY041442 Buenos Aires TELAM in Spanish 1329 GMT 4 Nov 86

[Text] Mar del Plata, 4 Nov (TELAM) -- Vice Admiral German Guesalaga Toro, Chief of the Chilean Navy General Staff, admitted there is concern in his country over the fishing agreements which Argentina signed with the governments of the Soviet Union and Bulgaria, because the Soviet trawlers are trawlers in quotation marks.

Guesalaga Toro also termed excellent the relations between the Argentine and Chilean Navies, and added that the rough edges that may have existed have been smoothed away by reciprocal visits.

Regarding the problem posed by Great Britain on the Malvinas Islands, he said Chile has always recognized and supported Argentine sovereignty over those islands, and that Chilean support to Argentina has been continuous.

Regarding the Soviet fishing vessels, he said the Chilean Government's concern is based on the fact that Russian boats, or those of its satellites, which operate on the mouth of the Magellan Strait, are reportedly used for the disembarkation of weapons and people.

According to the opinion of the Chilean Navy Staff chief, published today by the newspaper LA CAPITAL, the fishing agreements should have been the subject of bilateral talks between the two countries of the extreme south. In that way, he stated, the Chilean Government could have clearly seen that Argentina gave assurances that we Chileans would not have problems with a Soviet fishing vessel that tomorrow may enter the Magellan Strait.

Naval Dispute Explained

PY041307 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1733 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (NA) -- The absence of Admiral Jose Toribio Merino, the Chilean Navy chief, from the 13th Naval Inter-American Conference being held in Mar del Plata is reportedly a top-level decision made by the Chilean Foreign Ministry in response to an Argentine Foreign Ministry recommendation that the Chilean training ship Esmeralda not be allowed to drop anchor at the Buenos Aires port.

According to reliable sources, the Chilean Government reported to Argentina some time ago that the itinerary of the Chilean training ship included a stop-over at the Buenos Aires port.

In response to a request made by the government in Santiago, the Argentine Foreign Ministry -- through its ambassador in the Chilean capital -- reportedly suggested that the Chilean training ship make a stop-over in Puerto Belgrano, in southern Buenos Aires Province, near the city of Bahia Blanca.

The arguments reportedly raised by the Argentine Foreign Ministry were that the Chilean training ship's stop-over in Buenos Aires "could prompt reactions from ultranationalistic sectors."

According to an analysis made by a reliable source, the Argentine response reportedly caused some "dissatisfaction" to the Chilean Government and for this reason -- and for no other reason -- the Chilean Government reportedly decided to send Vice Admiral German Guesalaga Toro, the Chilean Navy chief of staff and Merino's subordinate, to the Mar del Plata conference.

The analysis adds that Guesalaga Toro -- according to reliable sources -- will be sent into retirement by Merino in late 1986. This way the government in Santiago "replies" to Buenos Aires by sending to the conference "a second level" representative who will soon leave active duty.

Merino's absence from the inter-American conference was erroneously interpreted by several sectors, linking it with the recent signing of fishing agreements with the Soviet Union which prompted the British reaction of expanding the economic exclusion zone around the Malvinas, the source commented.

"Merino's absence has nothing to do with the fishing agreements or the problem with Great Britain," said the expert in naval affairs, adding: "This is the response to the Argentine recommendation that the Chilean training ship not be allowed to drop anchor in Buenos Aires."

The Chilean Embassy in Buenos Aires made it clear -- through an official source -- that Adm Merino's decision not to participate in the naval inter-Americal conference was due to the busy schedule of his legislative tasks at the Chilean Government junta.

"On the other hand, Adm Merino expressed his heartfelt regret that he was unable to be present in Argentina and meet with his counterparts who head the navies of the hemisphere," the source concluded.

GDR'S AXEN BRINGS HONECKER'S LETTER TO ALFONSIN

PY051352 Buenos Aires TELAM in Spanish 0009 GMT 5 Nov 86

[Text] Buenos Aires, 4 Nov (TELAM) -- President Raul Alfonsin this afternoon received at Government House Hermann Axen, head of the Foreign Affairs Committee of the GDR's People's Chamber, who handed to him a message from Erich Honecker, secretary general of the GDR's Socialist Unity Party Central Committee.

Axen, who went to Government House with GDR Ambassador Horst Neumann, talked with President Alfonsin about the possibility of preventing nuclear war in the world and in space. We have similar opinions on these subjects, Axen stated.

They also discussed the subject of international security in Central Europe, in Central America, and in the South Atlantic. On this subject, Axen expressed to President Alfonsin his country's total support for the UN resolutions on the Malvinas issue.

Alfonsin and Axen also spoke about the active development of their bilateral relations and trade between the two countries.

MILITARY MANEUVERS END; OFFICERS REASSIGNED

PY031818 Buenos Aires BUENOS AIRES HERALD in English 3 Nov 86

[Text] (NA-DYN) -- Manoeuvres described as the biggest since the Malvinas war ended yesterday. The exercises, which were carried out by more than 4,000 servicemen including marines and fighter-bombers, began on October 6 and covered terrain in Santa Cruz, Chubut, Neuquen, La Pampa and Buenos Aires Provinces.

In other military news, a vice-admiral and six rear-admirals will go into retirement at the end of the year and simultaneously there will be nine promotions, including that of the current Navy chief-of-staff who will become an admiral.

The recommended retirements and promotions have already passed to the Defence Ministry from where they will be sent to the Senate for final approval.

According to reliable sources, the senior officers -- those going into retirement and those being promoted -- have already been informed of the changes by their superiors.

Meanwhile Commander-General Juan Eduardo Salva has been appointed the new Border Guard second-in-command by the government. He will take over in that post as from today.

In other military developments, the government is awaiting the verdict of the trial of retired General Ramon Camps and six fellow officers to derive from it the necessary justification of the punto final, which would put an end to the controversial trials of military officers for human rights violations, according to a top government source.

The same source reports that the government is also seeking contacts with Renewal Peronist leaders in order to achieve consensus on the subject of "due obedience."

The government allegedly "completely rejects" an amnesty for all middle-ranking officers who might have been involved in illegal repression and the punto final would not be passed as a decree but rather justified via legislation on "due obedience" which is reportedly under study.

JUSTICIALISTS HOLD ELECTIONS; REPLACE PERON

PY060041 Buenos Aires BUENOS AIRES HERALD in English 5 Nov 86 p 11

[Text] Tucuman (NA-DYN) -- The rump of the Justicialist national convention still sessioning here last night yesterday named a new leadership with National Council First Vice-President Vicente Leonides Saadi moving up to replace ex-President Maria Estela Martinez de Peron as head of the party. The congress, reportedly numbering only 200 out of 649 convention delegates, also decided to postpone next Sunday's Buenos Aires primaries.

Mrs Peron will now be "honorary president". Saadi's former position remained vacant with Deputy Jorge Triaca and Senator Adolfo Rodriguez Saa staying second and third vice-presidents, respectively. Lanus Mayor Manuel Quindimil will replace Deputy Herminio Iglesias as secretary-general and Santa Fe gubernatorial candidate Victor Reviglio will take the place of Santiago del Estero Senator Luis Salim as political secretary.

Only Buenos Aires trustee Julio Mera Figueroa and Santa Fe Renewal Peronist Deputy Ruben Cardozo argued in favour of going ahead as scheduled with primaries. Cordoba primaries were postponed until next March wnile Jujuy Peronists will vote on November 30. The congress also instituted direct voting in primaries.

The congress was greatly reduced by the decision of Renewal and Revolutionary Peronists as well as other party factions to pull out after failing to agree on a date for party primaries in Cordoba.

At the same time the Supreme Court froze the lower court ruling reinstating Iglesias as secretary-general until the former body has considered the matter.

As he withdrew from the party congress, Renewal Peronist leader Carlos Grosso said there were no more than 140 out of 649 convention delegates in Tucuman and that 60 were leaving with him. Convention authorities reported the presence of 397 delegates. Grosso said his supporters had done everything possible to preserve party unity.

Renewal Peronist leaders, including Deputies Antonio Cafiero, Grosso, Jose Luis Manzano, and Jose Manuel de la Sota, are due to meet in Buenos Aires today to discuss the situation.

De la Sota blamed the failure on another Renewal Peronist leader, La Rioja Governor Carlos Menem, accusing him of not having insisted on the indefinitely suspended Cardoba primaries being held. Menen and some Santa Fe Renewal Peronists remained in Tucuman yesterday.

The Revolutionary Peronist left after heated arguments with the Iron Guard faction over the continuance of Mrs Peron at the helm of the party.

In other news involving the Peronists, Buenos Aires provincial government minister Juan Antonio Portessi yesterday announced that 12,500 provincial policemen would be assigned to the task of ensuring that the party primaries slated for next Sunday proceed normally.

CONGRESS REJECTS 'NEOCOLONIALISM,' CENSURES UK

PY051619 La Paz La Red Panamericana in Spanish 1130 GMT 5 Nov 86

[Text] The Bolivian Congress yesterday approved its declaration of solidarity with the Argentine Government and its rejection of the British unilateral decision to establish a control zone around the Malvinas archipelago. Congress considers the British decision a serious offense to Latin American sovereignty and dignity. The Bolivian Congress declared its total rejection of the British Government's unilateral declaration of a 200-nautical-mile British sovereign zone around the Malvinas Islands. Congress also expresses its solidarity with the Argentine Government and people, and ratifies its support for the Argentine struggle to effectively exercise its national sovereignty.

The National Congress reiterates the need to form a common Latin American front that will act as a political defense mechanism against foreign intervention as a consequence of internal [as heard] policy problems. The Bolivian Congress rejects neocolonialism as currently expressed by the British attitude regarding the Malvinas Islands.

The Bolivian Congress confirms the foreign policy line started in 1831 during Marshal Andres de Santa Cruz' government, condemning the occupation of the Argentine territory. Just as it did then, and in face of this new threat to the peace of our continent, the Bolivian Congress now expresses to the Argentine Congress its fraternal solidarity. The Bolivian Congress requests the executive branch to clearly establish, in negotiations regarding the application of the Inter-American Reciprocal Assistance Treaty, that this legal instrument is used to protect territorial integrity and political sovereignty of all the republics of our continent.

MINISTER CITES NEEDS IN FIGHT AGAINST DRUGS

PY051325 La Paz EL DIARIO in Spanish 28 Oct 86 p 3

[Quotation marks as published]

[Text] At least 2,000 special police and 10 squadrons [cuadrillas] of planes to patrol the air space are needed to control the Valle Alto area of Cochabamba. This information was provided by Interior Minister Fernando Barthelemy, who on 27 October met with the president to evaluate administrative reports and the recent actions that have been carried by the Umopar units [Mobile Units for Rural Areas].

According to the minister, the appropriate organizations are convinced that, to face the drug traffickers, a large investment is needed to achieve the basic objectives of the fight to eradicate the criminal business. He stated the nature of the eastern area of our country obliges us to use sophisticated equipment, especially for patrolling the air space. He also acknowledged the current economic limitations of the police do not permit this organization to hire sufficient personnel to carry out a more efficient task.

He also indicated there are only a few planes and, even including the planes that were handed over to the Air Force, they are not sufficient to take on the power and the organization of the drug traffickers. "The drug traffickers have contacts with export channels, with the traders, and exporters, and the battle is more difficult than we thought. They cover a large expanse of territory that is very difficult to control.

"Between 8 and 10 squadrons of planes are needed to patrol continuously and thus prevent the drug traffickers from reaching the clandestine airstrips," he said.

SODRE DECLINES MEDIATOR ROLE IN FALKLANDS ISSUE

PY051556 Sao Paulo Radio Bandeirantes in Portuguese 1500 GMT 5 Nov 86

[Text] Brazil will not mediate between Argentina and Great Britain in the new conflict over the Malvinas Islands. Foreign Minister Abreu Sodre made this statement, explaining that the fact that the Brazilian Embassy in London represents Argentine interests in Great Britain does not mean that Brasilia will adopt a position of mediator in the conflict.

Sodre explained, however, that the Brazilian Government will do everything possible to find a negotiated solution. President Ronald Reagan has reportedly called President Alfonsin [words indistinct] to be the mediator in the new conflict that emerged over the British decision to establish a fishing protection zone around the Malvinas Islands.

FOREIGN MINISTER ANNOUNCES CONTADORA MEETING

PY051450 Madrid EFE in Spanish 0540 GMT 5 Nov 86

[Text] Brasilia, 4 Nov (EFE) -- The foreign ministers of the countries that form the Contadora Group (Colombia, Mexico, Panama, and Venezuela) and the Contadora Support Group (Brazil, Uruguay, Argentina and Peru) will meet in Rio de Janeiro beginning on 16 December to review the status of peace negotiations in Central America. Brazilian Foreign Minister Alberto Abreu Sodre officially announced this today after saying that "Contadora cannot die, and it is the only valid option for a peaceful solution to the Central American problem."

The meeting will be held at a Rio de Janeiro hotel where the eight foreign ministers will spend 2 days reviewing the results so far in the search to find a solution to the Central American problem. The Brazilian foreign minister said that this will be the second evaluation of the Central American issue within the coming 40 days because, he explained, this issue will be one of the primary topics at the General Assembly of the OAS that will begin in Guatemala next week.

CENTRAL BANK PROMOTES FOREIGN INVESTMENT FUND

PY011556 Rio de Janeiro Rede Globo Television in Portuguese 0139 GMT 31 Oct 86

[Excerpt] At a meeting of the National Monetary Council [CMN], the Central Bank today proposed the creation of a Foreign Investment Fund and a Foreigner's Share Portfolio for foreigners who want to invest in Brazil. The rules to govern these operations will have to be discussed.

Any person living abroad, or any company headquartered abroad, will be able to invest in the Foreign Investment Fund. They will be allowed to invest in shares, debentures, or government bonds.

All Foreign Investment Fund shares will have to be bought on the stock-exchange floor or across the counter. Control over Brazilian companies cannot be gained through the Foreign Investment Fund, which must be administered by Brazilians. Minimum investments would be $5,000. The Foreigner's Share Portfolio, which will operate much like the Foreign Investment Fund, will be administered by Brazilian or foreign institutions.

Another topic that was discussed at the CMN meeting was the adoption of measures to stimulate deposits in foreign currency to increase national reserves. It was decided that an exporter can now choose the foreign currency he wants to receive for his product. He must deposit the dollars he has received in the Central Bank and request that they be exchanged for any currency he likes, such as the German mark, the Japanese yen or the French franc.

Another bit of good news: The dollars, or any other foreign currency received by the exporter, will remain in the Central Bank account, but interest will be paid on them. An advanced notice will be required to withdraw funds from this account.

The government has also created new facilities for opening foreign currency accounts in the Central Bank. A foreign investor who has not yet decided where to invest his money can leave it in a Central Bank account, and interest will be paid on it based on the LIBOR.

Herewith a commentary by Paulo Henrique Amorim:

[Begin Amorin recording] The Government's idea is to create reserves in hard currencies. Any exporter who has some money deposited abroad can now choose: He can open an account in a foreign bank -- in which case he would run risks similar to those experienced by people who opened accounts in the New York Morgan Bank; or he can bring the money into the country and open an account in the Central Bank.

Many exporters have some money abroad because it is impossible to travel abroad with the $1,000 which they are authorized to purchase on the official market. Other exporters have money abroad because they tamper with their invoices, reducing their value. Through this new policy, the Central Bank expects that many intelligent exporters will open foreign currency accounts in the country, even though they will not collect high interest rates. [passage omitted] [end recording]

MINISTRY DENIES FIBER OPTICS DEAL WITH USSR

PY051750 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Nov 86 p 42

[Text] During his visit to the Soviet Union, due to begin on 24 November, Science and Technology Minister Renato Archer will not negotiate the sale of Brazilian fiber optics to Soviet enterprises. Science and Technology Ministry social communications coordinator, Jose Monserrat Jr, gave that assurance and denied that a $17-million fiber optic deal has already been struck between the Brazilian and Soviet Governments.

According to Monserrat, Minister Renato Archer will visit the Soviet Union in response to a Soviet Government invitation to get acquainted with the new technological developments in that country. Although the minister does not intend to sign any agreements during this trip, he will sound out the Soviet authorities for future possible accords and the sectors in which they are interested. Monserrat asserted that "the minister will go to identify possibilties for negotiations," and added that Minister Archer will pay special attention to space and biotechnological research. The coordinator concluded by saying that in the area of informatics there will be only an "exchange of information."

GUIMARAES, SARNEY VIEW PMDB ELECTION CHANCES

PY060129 Brasilia Domestic Service in Portuguese 2100 GMT 5 Nov 86

[By Joao Pena]

[Text] Deputy Ulysses Guimaraes, the PMDB [Brazilian Democratic Mobilization Party] president, this afternoon talked with President Jose Sarney for about an hour. Guimaraes evaluated the PMDB's chances a few days before the elections scheduled for 15 November.

[Begin Guimaraes recording] I told the president about the impression I have of the PMDB's chances throughout Brazil, particularly in the states I visited more recently. I told him about my expectations of a very positive result for the constituent assembly. I also told him that I would like to summon PMDB governors, senators, and deputies to Brasilia on 3 December to meet and talk about the election results, and to exchange views for the sake of our country and of our party. [end recording]

Guimaraes announced that, after that meeting, the PMDB members elected as constituent assembly delegates and governors will visit President Sarney at Planalto Palace. He believes the PMDB will receive the support of more than 55 percent of Brazilian voters. Guimaraes added that the people's wishes for a change do not affect President Sarney. They want a change in the country and in society, and they also want a constituent assembly that provides for current Brazilian needs, he stressed.

SARNEY SPOKESMAN DENIES PLANS TO EXTEND TERM

PY060134 Brasilia Domestic Service in Portuguese 2100 GMT 5 Nov 86

[Text] Planalto Palace spokesman Fernando Cesar Mesquita has said that President Jose Sarney did not tell French journalist (Beatrice Tuleau) that he intends to extend his presidential term to 6 years. Mesquita thus denied a newspaper report published today. According to Mesquita, during the interview granted to (Tuleau) on 3 November, Sarney did not talk about the length of his presidential term. He recalled that President Sarney's position remains unchanged; that is, the decision on the presidential term will be made by the constituent assembly. (Tuleau) works for the Catholic newspaper LA CROIX.

BRIEFS

COCAINE HAUL -- The federal police over the weekend busted a cocaine ring in Campo Grande, Mato Grosso do Sul, seizing 13.25 kg of cocaine. The drug was being taken from Santa Cruz de la Sierra, Bolivia, to Sao Paulo, Rio de Janeiro, and Belem, from where it was to have been taken to Miami. Arrested trafficker (Walter Espindola Jule) gave the names of his accomplices, who are businessmen and elementary school teachers, most of whom live in Coromba. The main accomplice is (Valdoaldo Novais Alles), who was to receive the drug in Sao Paulo and who is still at large. A warrant for his arrest has been issued. [Text] [Brasilia Domestic Service in Portuguese 2100 GMT 3 Nov 86 PY]

SMALL TOWN MAYOR MURDERED -- Antonio Mota, mayora of Rio Pomba, a small town 300 km from Belo Horizonte, Minas Gerais State, was murdered tonight. The mayor, who belonged to the Brazilian Democratic Party, was killed by five bullets fired from a passing Volkswagen Brasilia Car. [Text] [Rio de Janeiro Rede Globo Television in Portuguese 0130 GMT 4 Nov 86 PY]

SECURITY FORCES RAID HOUSES, ARREST TERRORISTS

PY051950 Santiago Domestic Service in Spanish 1600 GMT 5 Nov 86

[Excerpt] During an intense operation carried out in the 5th Region, specifically on Los Placeres Hill in Valparaiso, members of the police and security forces raided several houses. The operation resulted in the discovery of a stronghold of the Manuel Rodriguez Patriotic Front [FPMR], the armed branch of the Communist Party, and the arrest of 17 terrorists, who have been placed at the disposal of the Valparaiso naval judge advocate. The following is a complete report on the operation:

[Begin relay from Valparaiso] A total of 17 individuals were arrested during the operation carried out by joint forces under the commander of the state of siege zone. The operation was carried out along (Cariman), Mercedes, and Montezuma Streets of Los Placeres Hill in Valparaiso.

This information is contained in an official communique issued by the office of the commander of the state of siege zone for Valparaiso Province and Easter Island. The communique states that a great quantity of Marxist literature and pamphlets designed to disrupt public order were seized in the houses that were raided.

The following was seized at the house on 840 Montezuma Street, which belongs to Bernardino [name indistinct] Vergara: 1 22-caliber [word indistinct] gun; 2 Vietnam-type bombs; 35 meters of fuse; 22 detonators; 1 manual mimeograph; 4 kg of ammonium nitrate; Communist Party literature; instruction manuals for the construction of explosive devices; and plans for armed propaganda actions. It was established that the house was used as an FPMR safehouse for the storing and distribution of explosive materials.

The following individuals were arrested during the operation: Marcos Ernesto Baeta Cisternas, Leonardo Eugenio Rubio Carcamo, Cristino Alejandro Rubio Carcamo, Eduardo Artemio Rubio Carcamo, Patricio Homero Rubio Carcamo, Mario Osvaldo Noseda Ratti, Enrique Javier Carvallo San Felipe, Cavina Claudia Fatima Damon de (Tepenique), Sandra Angelica Henriquez Aguirre, Cecilia Roxana Valentina de Henriquez Aguirre, [name indistinct] Henriquez Aguirre, [name indistinct] David Henriquez Aguirre, Ivan Patricio Diaz Almada, Eric Rene Diaz Almada, Santiago Sengundo Parral de Santander, Marcos Lucas [name indistinct] Gomez, Bernardino [name indistinct] Vergara, and Patricio Rafael Carranza Santander.

The detainees have been placed at the disposal of the Valparaiso naval judge advocate to be tried under the law controlling weapons and explosive devices to determine whether they participated and what degree of responsibility they had in terrorist actions. [passage omitted] [end relay]

It has also been disclosed that a group of terrorists caused slight damage when they placed an incendiary bomb inside a bus of the Bernardo O'Higgins line circulating in downtown Santiago. The bus, driven by Carlos Sanhueza along the Bernardo O'Higgins Avenue, experienced an emergency when it reached [name indistinct] street. The passengers saw two individuals rush off the bus after they set off the incendiary device. The flames were put out by the driver.

In the meantime, in another attack perpetrated in the past few hours, a public bus in Valparaiso suffered damage worth 1 million Chilean pesos. The attack was perpetrated at the intersection of Condor and Bella Vista Streets against a bus of the Roca Mar enterprise. It was being driven by Juan Roman. The driver said that a passenger hurled an incendiary bomb into the back of the bus as he was getting off at that intersection.

It has also been reported that railway traffic in southern Chile was interrupted for 2 hours. Fortunately, this interruption only affected the express train from the border; it arrived in Temuco after a 1-hour delay. This i terruption was caused by a low-powered bomb that destroyed a portion of the railway line 3 km north of the town of Ercilla, (Malleco) Province. No one has been arrested nor was anyone injured.

Moreover, at dawn today two individuals tried to set a bus on fire with two Molotov cocktails. The bus was parked on the intersection of (Taito) and Colhaique Streets in the town of Los Riscos. [passage omitted]

DEL VALLE DISCUSSES FALKLANDS, OAS CONFERENCE

PY051404 Santiago Radio Portales in Spanish 2230 GMT 4 Nov 86

[Text] The Chilean Government is confident that the next OAS Assembly will look for the necessary mechanisms to find a solution to the conflict between Argentina and Great Britain. Foreign Minister Jaime del Valle has stated that, so far, Chile has not received from Buenos Aires any petition for support to the position adopted in relation to the United Kingdom.

[Begin del Valle recording] We are following this with great interest. We hope the appropriate organization -- which is the OAS -- will find a solution, a harmonious solution to any event that may lead to a conflict. This has always been the Chilean position, and it is the position sought by the United Nations, the OAS, and it is also the interest expressed by the foreign ministers of Brazil, Argentina, and Uruguay. This means we are all in agreement, waiting serenely and calmly for that meeting, certain that we will find a harmonious solution. [end recording]

The foreign minister was referring to the British decision to declare an exclusive 150-mile economic zone around the Falklands or Malvinas Islands.

Del Valle then referred to his forthcoming trip to Guatemala to participate in the OAS General Assembly. He stressed the importance Bolivian Foreign Minister Guillermo Bedregal's speech will have within the framework of the rapprochement that is being sought between the two countries.

[Begin Del Valle recording] I think that more important than talking with the Bolivian foreign minister will be to learn the Bolivian way of thinking through the speech to be made by the Bolivian foreign minister, and also to learn the possible resolution to be adopted by the OAS. This is very important. So, the position to be adopted by the Bolivian Government in this meeting will be more important than words, it will give us an idea on the Bolivian President's way of thinking. [end recording]

Del Valle will speak at the inaugural session of the OAS General Assembly on 10 November 1986, but he will leave for Guatemala on 6 November.

He was also consulted about the remarks made by the Christian Democratic Party leader Gabriel Valdes, that Chile is not moving toward a democracy to be established in 1989. In response to the remarks made in Germany by Valdes, del Valle stated: I think he will contribute much more toward finding the path to democracy by working in Chile and not making tours abroad, which is not always helpful.

NAVY COMMANDER CONFIRMS SUPPORT FOR ARGENTINA

PY051233 Santiago Domestic Service in Spanish 2200 GMT 4 Nov 86

[Text] Navy Commander in Chief Admiral Jose Toribio Merino Castro has stated that Chile supports the Argentine position concerning the new conflict over the Malvinas Islands. The Navy commander in chief made this statement at the end of a regular meeting of the Government Junta. Adm Merino replied to questions posed concerning a statement made by Chilean Navy Chief of Staff Vice Admiral German Guesalaga.

Adm Merino said that Guesalaga made his statement in Santa Fe during a meeting of continental Navy representatives. Guesalaga expressed support for the Argentine position. Adm Merino said Vice Adm Guesalaga's position is in keeping with the position adopted by the Chilean Government and that this position was clearly expressed in a communique released by the Chilean Embassy in Buenos Aires in keeping with a meeting held with Argentine Foreign Minister Dante Caputo. The Navy commander in chief added that the Chilean concern over an agreement Argentina signed with the Soviet Union to deploy a fishing fleet was also mentioned. Adm Merino explained the meaning of the 200-mile exclusion zone.

[Begin Merino recording] [in progress] ...in those 200 miles a sovereign country possesses, as a sovereign country it has a right to grant fishing rights within a 200-mile economic exclusion zone. Thus, if Great Britain states that it has sovereignty over the Malvinas, then Great Britain has (?full) authorization, [passage indistinct] [end recording]

Admiral Jose Toribio Merino said talk of a new military confrontation between Argentina and Great Britain is completely groundless. Adm Merino as also asked about the importance of the proposals made by political sectors to the interior minister over the legislative branch, especially concerning the law on political parties.

[Begin recording] [Merino] In an official note, the president said it was necessary to review the law on political parties -- that is, the number of supporters required to form a party or regional political parties because [words indistinct]. We are waiting for the executive branch's decision before continuing with the issue of political parties.

[Reporter] Nevertheless, despite the talks being held by the interior minister with the political sectors, the Christian Democratic Party president [Gabriel Valdes] yesterday stated in Bonn, FRG, that despite all this, the government seeks to stay in power until 1997. What is the opinion of the president of the Government Junta?

[Merino] Mr Valdes must be a fortune-teller because we [words indistinct]. [end recording]

Adm Merino made this statement at the end of a regular Government Junta session which was attended by its four members.

LEADERS CREATE JOINT FORUM WITH ARGENTINA

PY051842 Santiago EL MERCURIO in Spanish 27 Oct 86 p C 2

[Excerpt] Argentine and Chilean democratic political leaders have agreed to form an international association called Permanent Forum for Integration to achieve greater cooperation and understanding between the two countries in the economic, social, cultural, technical, and political sectors.

The announcement was made by Adolfo Zaldivar Larrain, the Chilean Christian Democratic Party national adviser, who heads the board of directors of the new organization.

Zaldivar stressed the organization's goal is to make a reality of the basic ideas contained in the Peace and Friendship Treaty signed by Argentina and Chile in 1984, through the coordinated efforts of the economic and social sectors of the two neighboring countries.

The Argentine delegation unanimously agreed to name Adolfo Zaldivar head of the organization. Marcelo Stubrin, Radical Civic Union national deputy for Buenos Aires, was named general coordinator.

The executive secretariat in Argentina will be headed by Carlos Grosso, Justicialist Party national deputy for Buenos Aires, and the Chilean secretariat will be headed by a Chilean leader to be elected from among the Chilean signatories of the document. [passages omitted]

MINISTER REPLIES TO CHURCH REQUEST ON EXILES

PY051318 Santiago Radio Portales in Spanish 2230 GMT 4 Nov 86

[Text] Interior Minister Ricardo Garcia has confirmed that the Episcopate has requested the return of all the exiles. Moreover, he said the petition was made in July 1986, when he met with Monsignor Francisco Jose Cox.

[Begin Garcia recording] He handed me a letter related to the church's desire to have the question of exile considered before the pope visits the country.

This letter was handed to me in July and the topic, as you well know, is being permanently studied by the government. I have said before that the government had studied a formula for this petition and that it was going to be made known in September but, its release was postponed for reasons well known to you. The assassination attempt against the president, the death of his bodyguards, and all the events that have happened in the country. [end recording]

Minister Garcia also stated that the government continues to study this matter. He stressed that the permission for 200 people to re-enter the country is proof of this, in addition to the cases submitted to the commission on human rights.

The minister stated that Monsignor Cox's letter contains the overall desires of the church on this matter.

POLICE FOIL ATTEMPTED BOMBING OF POWER LINES

PA060354 Paris AFP in Spanish 0000 GMT 6 Nov 86

[Text] Bogota, 5 Nov (AFP)--Today Colombian police foiled a terrorist plan to leave large sectors of Bogota and several provinces without electricity. The police deactivated two bombs placed at the bases of two high-tension towers.

Peasants reported to the police that they had found the explosive devices, which had timing devices set to explode at 2300 today.

Bomb experts deactivated the bombs, which had 14 and 12 kilos of dynamite, respectively. The first bomb was placed on a farm near the town of Madrid, 24 km west of Bogota, and the second one near the Chivor-Torca line, on Bogota' north end.

According to electric company experts, if the attack had been carried out 70 percent of Bogota and some nearby provinces would have been without electricity.

Moreover, the news media have stated that this sort of action tends to confirm that the Peruvian susbversive group Shining Path is advising Colombian guerrillas.

Peruvian and Ecuadoran extremists, the M-19, and other Colombian groups comprise the so called America Battalion, which is particularly active in the country's southeastern sector.

The police began a search operation but have not reported any arrests so far.

ELN ATTACKS OIL PIPELINE IN CESAR DEPARTMENT

PA051910 Bogota Television Service in Spanish 1730 GMT 5 Nov 86

[Text] Ecopetrol [Colombian Petroleum Enterprise] has suspended its oil pumping at the Cano Limon-Codenas oil pipeline due to an attack that occurred near Chimichagua in Cesar Department.

As a result of the explosion, which has been attributed to the ELN [National Liberation Army] a rupture in the pipeline caused oil to spill into the Cesar River.

STROESSNER ADDRESSES BIRTHDAY GATHERINGS

Salutes Armed Forces

PY052110 Asuncion EL DIARIO in Spanish 4 Nov 86 p 12

[Text] Expressing thanks for the birthday greetings he received from General Andres Rodriguez, who acted as the spokesman of the chiefs of the Armed Forces, the chief of state made these remarks:

"Messrs generals and admirals, high-ranking officers, and subordinates: It is with great satisfaction that I received you in my residence on this 3 November when I am celebrating another birthday.

"Once again, I can emphatically say that I have the same spirit of loyalty and a great desire to serve. We must practice sincerity, honesty, and patriotism.

"I want to point out that I am dedicated to my work and to my duties as president of the Republic and commander in chief of the Armed Forces.

"I know that you are cooperating with me in this task and that we are all loyal to the cause of serving our country."

General Stroessner affirmed that "the Armed Forces must continue to improve."

The president then said, "Peace prevails in Paraguay because the Armed Forces, the great Colorado Party to which we belong, and all well-meaning people support it.

"Now, all those who are not old enough cannot appreciate the peace we have. I am in constant touch with the youth, and I tell them that this was not always the way we lived in the past. When we speak, the people comprehend and understand what we say. Wherever I go, I do not receive empty approvals. When I see the people applauding my presence, I think to myself that they are doing so because the government has not lost its prestige.

"Because in the past, before I assumed the presidency as the eighth president in 6 years, there was anarchy and chaos, there was anything but democracy.

"Here we have an opposition that misinterprets democracy. The opposition believes that democracy means fomenting anarchy. This is what is happening in the case of the Hospital de Clinicas."

Referring to the situation at the Hospital de Clinicas, the president explained: "This is such a minor case. I repeat: This is a minor case, because the country has peace and it can be seen. This is a case created by a few who are interested in empty politics, like Filizzola [president of the Hospital de Clinicas Physicians Association] and I don't know who else.

"Now, that does not worry us in the least ... not in the least, not at all. I want to point out to them and they have to understand: They have to have salary increases, very well. You know this... I believe that explanations are not necessary. They have already been granted salary increases by Congress and the Finance Ministry. We cannot capriciously go on increasing salaries, because, ultimately, the people have to pay these salaries and we have to see how much the people can pay."

President Stroessner then emphasized: "Now, I want to give my assurance that I have always faced up to dangers. My great responsibility entails constant danger. However, since we are all working together, we can feel secure about the future, not only about the future, but about the present, because we have security. There is peace and progress in Paraguay.

We have preserved peace, allowing the people to work in peace and increase production. From an economic viewpoint, we have done everything in our power to avoid a currency devaluation."

"There are undoubtedly many sectors that want more dollars and more guarantees. Depending on the interests of each particular sector, the dollar can be considered overvalued or can be said to have undergone a mini-devaluation. The truth is that we are not experts in such matters. This type of problem is analyzed and will be analyzed by the proper agencies, which are the source of our advice on the subject."

"Our country is doing well, and it will do even better in the future. I thank you for coming. I will continue to work with you, because we are working for the same cause. I do not mean to emphasize the work that I do, because all of us are working with the entire nation. Each one does his own share, and this helps the nation. This is why we will remain on guard, taking the necessary precautions. We will ask the opposition to engage in the game of democracy, rather than in the game of political chicanery."

"We are following the path of democracy. We know very well the meaning of democracy. Democracy means to cast ballots in the ballot boxes. It means that the majority wins and that the minority helps to govern the country. That is the right thing to do. A weak government cannot defend democracy. We are strong because we count on the support of the ballot box and because the people support us. This can be confirmed anywhere."

"Well, I thank you very much for coming. We will continue to live and work for the sake of our country. In my capacity as commander in chief of the glorious Armed Forces, I am pleased to commemorate my birthday while on active duty. I was promoted to second lieutenant 54 years ago, after the battle of Boqueron... Thank you very much," the president concluded.

Notes 'Peace and Prosperity'

PY052025 Asuncion HOY in Spanish 4 Nov 86 p 8

[Text] President Alfredo Stroessner early this morning received birthday greetings from political, military, and church officials. The president acted as host in the presidential residence on Mariscal Lopez Avenue, where he delivered an impromptu speech.

The president said: "I have been on my feet since early this morning receiving the greetings of the Armed Forces, the government, and also of the apostolic nuncio. I have also received the greetings of officers of all ranks, members of the Colorado Party, head of the party Juan Ramon Chavez, and presidents of various Colorado Party precincts.

"Instead of making comments, it is worth seeing this spectacle that is taking place because there is peace in the country. Otherwise, I would not have been here or taken the time to see you. Today is my birthday I am at the service of the nation. Whether they like it or not, there is peace in Paraguay. If there is some minor discontent, it is very little.

"I am not at the service of my own personal interests, or someone else's interest. We are working for a common cause, and there is peace and prosperity here. Paraguay is experiencing a happy moment, and we must enhance this happiness. We must have an optimistic spirit. I am optimistic and fortunately my friend who never fails me is always accompanying me. You know that He is up there.

"The people came here because we are always at the service of the people and I am in good health. Good health is essential. From now on all I can say is that we are going to move ahead year after year, and we are definitely not running out of time. The country receives all the benefits.

"I would like to greet all the Colorado Party members, the well-meaning people, and especially the youth, who now have many more opportunities than ever before. Now they can really study. The situation has improved."

GARCIA SEES U.S. TACTIC IN FALKLANDS MOVE

PY060144 Paris AFP in Spanish 0329 GMT 5 Nov 86

[Text] Lima, 4 Nov (AFP) -- Peruvian President Alan Garcia said today that the Malvinas issue might be a planned offensive meant to keep Latin America distracted, divided, and concerned in order to divert attention from the danger of a U.S. invasion of Nicaragua.

According to the latest news received this morning, Garcia said, the Nicaraguan Army has defeated and repelled mercenary groups that intended to enter Nicaraguan territory.

He stated that there is a connection between the Malvinas issue and the possibility of a U.S. invasion of Nicaragua. Therefore, he said, it is necessary to make it clear that Latin America does not need mentors or bosses because it is sufficiently developed to govern itself.

Garcia added that Great Britain's decision creating a fishing protection zone around the Malvinas might be a move designed to distract Latin American attention while the money of the U.S. people is used to send anti-Sandinist mercenaries into Nicaragua. He emphasized that it is unacceptable for the United States and England to sponsor rebellions or attacks every time they dislike a government, because they are thus violating Latin American sovereignty.

Garcia voiced his support of Nicaragua and Argentina, and reaffirmed his opinion that it is necessary to create a regional organization that would enable Latin America to improve its bargaining position regarding the United States within the OAS.

He said: We uphold the principle that no country, no matter how powerful it is, may interfere in the domestic affairs of Latin American countries, irrespective of the type of government elected by their peoples. When it comes to sovereignty, we cannot take a resigned or submissive attitude.

Regarding the Peruvian support of Argentina, Garcia said that his government recognizes Argentina's sovereign ownership over the Malvinas, and that Great Britain's decision creating a 200-mile exclusion zone just for these islands was a hostile act.

Garcia concluded his remarks to the local press by saying that President Alfonsin, whom he met yesterday in Buenos Aires, will solve the Malvinas problem with prudence and firmness.

MRTA'S VIOLENT ACTS COMMEMORATE ANNIVERSARY

PY051727 Paris AFP in Spanish 0351 GMT 5 Nov 86

[Text] Lima, 4 Nov (AFP) -- According to a police report, terrorists of the Tupac Amaru Revolutionary Movement (MRTA) launched a rocket which failed to explode at a police station in Canto Grande, a Lima district.

This was the first time that a Peruvian terrorist group has used this kind of weapon in the Peruvian capital. The antiterrorist police squad regarded the weapon as obsolete and in poor shape.

Another MRTA commando group, armed with automatic rifles, forcibly occupied the Imperial radio station in El Salvador, a Lima neighborhood, and broadcast a message about this terrorist group which commemorated its third anniversary today.

In Chiclayo, 750 km north of Lima, MRTA terrorists hurled a bomb at the local Peruvian Investigative Police headquarters. They severely damaged the building but caused no casualties.

Throughout the day (4 November) the MRTA celebrated its anniversary by leaving some 20 bombs in different places in Lima. One of these bombs seriously injured two policemen who tried to defuse it this morning.

SHINING PATH LEADER ARRESTED IN JUNGLE RAID

PY031417 Paris AFP in Spanish 2132 GMT 1 Nov 86

[Text] Lima, 1 Nov (AFP) -- Police have raided a bunker which could be the Shining Path headquarters for the central jungle region of Peru. The antiterrorist police today reported that 10 subversives were arrested, and arms and documents were seized in the operation.

Authorities have told AFP that they are trying to verify if this group was responsible for carrying out 10 ambushes this year against Civil Guard, Republican Guard, and Army convoys in the Tingo Maria and Aucayacu regions, some 600 km east of Lima.

The Shining Path bunker was raided yesterday by a detachment of 100 policemen from the Civil Guard and the Peruvian Investigative Police (PIP), near Aucayacu.

According to the report, David Rosemberg Vidal, the main Shining Path leader in the Peruvian central jungles, is among the 10 peoples who were arrested. Another six guerrilas escaped into the jungle.

The antiterrorist police have reported that the ambushes on military and police convoys, about which almost nothing has been officially reported until now, have caused an undetermined number of casualties among the police forces.

The police found, apart from various kinds of arms, lists of civil authorities who have been killed in the last few months in the region, lists of people who are targets, and lists of Shining Path deserters that have been condemend to die.

SENATE DECLARATION; MINISTERS TO VIEW FALKLANDS

PY060159 Montevideo Radio Carve in Spanish 0000 GMT 6 Nov 86

[Excerpt] The Senate has unanimously approved a declaration voicing concern over the unilateral British decision on the Malvinas Islands, which has seriously increased tension and worsened the conflict in this zone of the South Atlantic. The declaration also conveys support for the UN resolutions on the subject, advocating immediate compliance with them and calling upon both sides to begin direct negotiations as soon as possible, to preserve world peace and security. [passage omitted]

Uruguayan Foreign Minister Enrique Iglesias on 7 November will again meet with his Argentine counterpart, Dante Caputo, in Buenos Aires. During a private meeting, the two ministers will analyze the Argentine-British conflict over the Malvinas Islands. A diplomatic source has said that Caputo and Iglesias will review the developments that followed the British decision to declare a 150-mile economic exclusion zone around the southern archipelago.

Iglesias and Caputo addressed the issue on 31 October in Montevideo. On 1 November, the two ministers met with Brazilian Foreign Minister Abreu Sodre in Punta del Este. After the talks at the Cangrejo Inn, the three foreign ministers issued a joint, 7-point declaration reasserting their governments' determination to undertake common diplomatic actions in defense of Argentina's rights over the Malvians.

After the Congrejo Inn talks, the ministers had frequent telephone conversations. On 4 November, Iglesias briefed President Sanguinetti on the details of the conversations.

BRIEFS

SENEGALESE, NICARAGUAN AMBASSADORS -- Bertha Marenco de Green and Samba Ndiaye, the newly appointed Nicaraguan and Senegalese ambassadors to Uruguay, respectively, on 23 October presented their credentials to President Julio Sanguinetti. [Summary] [Montevideo EL DIA in Spanish 24 Oct 86 p 6 PY]

MILITARY INVESTIGATES POLICE ARMS TRAFFICKING

PA060100 Caracas EL NACIONAL in Spanish 28 Oct 86 p D-24

[Article by Humberto Alvarez]

[Text] Twelve former guerrillas that work for various police organizations are being investigated by the General Directorate of Military Intelligence [DIM] in connection with the granting of gun permits and arms trafficking.

The information, which was furnished by a source linked to the investigation, states that the Interior Ministry's Weapons and Explosives Directorate was seized [intervenida] last week because presumably it was from there that negotiations took place to import weapons destined to guerrilla groups in Colombia and Venezuela. One of the first steps taken was the firing of Police Superintendent Domingo D'alessandri and personnel with close links to him holding posts in the Arms and Explosives Directorate of the Interior Ministry. D'alessandri had worked as the national inspector for Disip [Directorate of Intelligence and Prevention Services] before becoming director of arms and explosives, replacing Colonel (Ret) Jose Rafael Gonzalez Carrero, who transferred to Disip.

Investigations have been going on for several months with the participation of both DIM and Disip, because in several instances, Venezuelan security organizations have confiscated CAVIM [Venezuelan Corporation of Military Industries] weapons that were in the hands of guerrillas. This is confirmed by the Defense Ministry communique of 16 October 1986, which announced the death of Evencio Sosa, during a clash with a Disip-Army joint force near Yaritagua, Yaracuy State.

The communique states the clash took place "between security corps and guerrillas linked to subversion and drug trafficking, both in Venezuela and Colombia; and the guerrillas' part in recent kidnappings at the border of both countries was confirmed. As a result of this clash, a large number of arms, ammunition, and very important documents were captured that have led the state security corps to the arrest of people who are involved in subversion and drug trafficking."

The weapons and the ammunition that the Defense Ministry mentions have the CAVIM seal, and the documents confirm DIM and Disip suspicions regarding this case. With a great deal of evidence in their possession and with documents that prove arm trafficking, the Interior Ministry's Explosives Directorate was seized [intervenida] last week. The investigators have determined that money and presumably drugs were given to this department of the Interior Ministry in exchange for arms to the Venezuelan and Colombian guerillas. As a preventive measure, several civilians belonging to official organizations were detained, as well as a group of soldiers, some of them high-ranking ones.

False signatures were also detected, as well as forged documents that authorized the delivery of the weapons. Even though there has not been an official report on the measures taken by the Defense Ministry at CAVIM, it was learned unofficially that an administrative investigation is under way in connection with huge arms orders that took place through the Interior Ministry's Directorate of Arms and Explosives during the last 2 years, which presumably is when the arms trafficking operations began.

The informer said that a military circle [as published] secretary had been arrested as a possible link between CAVIM and the people in the Arms and Explosives Directorate. It was reported that the first arms shipment was valued at 2 million bolivares, out of a total 30-million deal. All the weapons were from CAVIM, and DIM and Disip have the consignee's note. They are investigating which person was in charge of receiving the note and making arrangements for both the Venezuelan and Colombian guerrillas -- these groups having been the best clients -- to receive the weapons.

The source said that many of the former guerrillas belong to police corps and have attained high ranks, mostly as superintendents, which has eased their arms trafficking work. The infiltration into the police by former guerrillas was reported on several occasions by retired superintendent Silvio Vargas, especially in December 1985 and March 1986, but his warnings went unheeded. The detainees will be tried by a military court that will take over their cases.

GUYANESE OFFICIAL ARRIVES ON 4-DAY VISIT

PA040437 Madrid EFE in Spanish 2347 GMT 3 Nov 86

[Excerpt] Caracas, 3 Nov (EFE) -- Venezuelan Government sources have announced Guyanese Deputy Prime Minister Parris' arrival in Venezuela today on an official 4-day visit. Parris will meet with Venezuelan authorities to discuss bilateral trade and economic cooperation.

Venezuelan President Jaime Lusinchi will meet with the Guyanese politician, who is also scheduled to meet with Foreign Minister Simon Alberto Consalvi, Energy and Mines Minister Arturo Hernandez Grisanti, and Coordination and Planning Minister Leopoldo Carnevalli. Parris will also meet in Caracas with Hector Hurtado, president of the Venezuelan Investment Fund; and with board members from the Fund for the Financing of Exports [Fondo para el Financiamiento de las Exportaciones], and the Venezuelan Foreign Ministry's Directorate of International Economy and Cooperation. Parris' visit to Venezuela acquires great political significance if it is taken into account that the two nations have an on-going dispute over sovereignty of the Essequibo territory, currently under Guyanese control. [passage omitted]

PRESIDENT MEETS WITH YUGOSLAVIAN OFFICIAL

PA052009 Caracas Television Service in Spanish 1600 GMT 5 Nov 86

[Text] The Latin American economic and political situation, as well as the relations between Venezuela and Yugoslavia, were the main topics of discussion between Venezuelan President Jaime Lusinchi and Ivo Vrandecic, the president of the Yugoslavian Assembly.

At the Hall of Mirrors in the Miraflores Presidential Palace, President Lusinchi and Yugoslavian Government representatives met for approximately 2 hours. They discussed the current Argentine situation caused by the decision announced by Great Britain. Through its representative Ivo Vrandecic, Yugoslavia expressed its absolute support for Argentina and for the efforts made by the Contadora Group in order to attain peace in Central America. Vrandecic said: We know that Contadora is struggling for a good cause and on behalf of the interests of the Latin American peoples who are defending this region's peace and security.

BELIZE

ESQUIVEL DEFENDS MEMBERSHIP IN CARICOM

FL031912 Bridgetown CANA in English 1850 GMT 3 Nov 86

[Text] Belmopan, Belize, Nov 3 CANA -- Belize Prime Minister Manuel Esquivel has offered a strong defence of his country's membership of the Caribbean Community (Caricom), and insisted that if the community failed to work, it will be no fault of his Central American state.

Esquivel spoke to local business leaders during a recent luncheon, and an account of his address is carried in NEW BELIZE, the official publication of the government information service.

Separately, we can be swallowed up in the eruptions of world trade, together the five million of us can generate sufficient trade to keep out individual economies viable, Esquivel declared.

If the common market is to fail, let it not be because Belize was not bold enough to make it work, he declared.

GUATEMALA

CEREZO REFUSES TO HOLD TALKS WITH GUERRILLAS

PA051528 Panama City ACAN in Spanish 0002 GMT 5 Nov 86

[Text] Guatemala City, 4 Nov (ACAN-EFE) -- President Vinicio Cerezo today said the Guatemalan Government will not hold peace talks with the guerrillas and urged the rebels to lay down their weapons "and join the democratization process." During an impromptu news conference held at the government palace, Cerezo said that "the people chose the democratic path through their votes."

Last week, the Guatemalan National Revolutionary Unity [URNG], which groups the four guerrilla groups, proposed to Cerezo's government a high-level meeting "to establish the basis for a future dialogue" that will put an end to 20 years of war. The rebels has proposed using the Spanish and Mexican Embassies in this capital as the site of the first meeting.

President Cerezo today said the URNG "does not seem to have political control over the guerrilla groups operating in the country." He was referring to the "brutal slaying" of an Army officer and six soldiers last Sunday by members of the Poor People's Guerrilla Army [EGP].

"Therefore, it is not possible to hold talks with the URNG if it does not represent the ideas of the guerrilla organizations, as those who murdered the soldiers went as far as marking the EGP initials on their bodies with bayonets," Cerezo stressed.

According to the Army, Lieutenant Julio Manuel Joachin Lopez and six soldiers died during a guerrilla ambush in Cotzal Village, in the northwestern El Quiche Department.

"We will protest the brutal way in which the guerrillas killed the soldiers whom they had captured. They even gave them the mercy shot," Cerezo concluded.

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Army Supports Decision

PA052308 Panama City ACAN in Spanish 2002 GMT 5 Nov 86

[Excerpts] Guatemala City, 5 Nov (ACAN-EFE) -- The Army today supported President Vinicio Cerezo's decision to reject peace talks with the guerrillas. Meanwhile, political leaders pointed out that the rebels' dialogue proposal is a good opportunity.

Cerezo said yesterday afternoon he is not willing to negotiate an end to the war -- which has lasted 20 years -- with the insurgents if they do not first lay down their weapons and join the democratic process that started last year after 2 decades of military governments. [passage omitted]

Defense Minister General Jaime Hernandez Mendez said, "The Army respects any decision by President Cerezo to hold or not hold a dialogue with the guerrillas, because he makes the decisions as president and general commander of the armed institution." [passage omitted]

A leader of the Union of the National Center (UCN), the largest opposition force, said, "If the guerrillas proposed a dialogue, President Cerezo must listen to them."

Hector Vasquez, deputy of the Democratic Socialist Party, said the peace talks would be "beneficial," to the democratization process because social-political differences would be exposed."

Former presidential candidate Leonel Sisniega Otero, secretary general of the Anticommunist Unification Party [PUA], said he opposes the dialogue proposed by the guerrillas "because they do not have genuine representation, and Cerezo is implementing a shaky policy." Anticommunist leader Sisniega Otero added: "To accept a dialogue with the guerrillas, which I believe are made up of vandalistic groups, is to lose the psychological battle and allow them to reorganize and rearm themselves."

CEREZO DENIES CONTRAS TRAINING IN COUNTRY

PA051519 Panama City ACAN in Spanish 2332 GMT 5 Nov 86

[Text] Guatemala, 4 Nov (ACAN-EFE) -- Guatemalan President Vinicio Cerezo today denied the United States had requested the use of Guatemalan territory for the training of contras, and he added that even if the request were made, it would not be accepted "now or in the future."

In an impromptu news conference at the government palace, the Christian Democratic president said such a proposal "goes against the active neutrality policy" that Guatemala has regarding area conflicts. Cerezo added: "We will not allow any political party to illegally train military or paramilitary groups in Guatemala, in the same way that we have not agreed Guatemalans could be trained in other countries to subsequently attack in our country."

"We could not allow the training in our territory of anti-Sandinists who will then attack Nicaragua," the Guatemalan head of state stressed.

President Cerezo described the recent publication in the U.S. magazine NEWSWEEK of reports on the possibility of using Guatemala to prepare contras as "rumors."

Cerezo said that he recently sent Guatemalan Foreign Minister Mario Quinonez Amezquita on a Central American tour "to seek the mechanism that will prevent a confrontation between Honduras and Nicaragua." President Cerezo added: "It is an extremely difficult situation, but the foreign minister obtained positive results in his attempt to make arrangements for satisfactory talks in the future."

QUINONEZ TERMS SITUATION 'OPTIMISTIC' AFTER TOUR

PA051957 Guatemala City PRENSA LIBRE in Spanish 5 Nov 86 p 4

[Text] Reporting on the results of his trip to consult the other countries of the area, Foreign Minister Mario Quinonez Amezquita said the situation in Central America is moderately optimistic.

The Guatemalan foreign minister was accompanied on his trip by Deputy Foreign Minister Francisco Villagran de Leon. They both met with the government authorities of Costa Rica, Nicaragua, Honduras, and El Salvador.

He said that during the tour, Guatemala explained its efforts to prevent a warlike confrontation on the Central American isthmus. He said it also reiterated its traditionally pacifist stance and its position of active neutrality.

The situation, he said, is moderately optimistic because we believe that with "a little more time and effort, the obstacles to the dialogue in Contadora can be overcome."

None of the countries of the area want an armed confrontation. All of them are optimistic, but greater time and effort are needed to reach an agreement.

He admitted the situation is much more tense right now, but he said the Central American governments acknowledged the good intentions of Guatemala, which "raised the pacifist banner in favor of regional peace."

Minister Quinonez denied that Contadora has failed, and said the dialogue can be renewed because the governments of the region want to achieve a political solution.

In concluding, he expressed confidence in the Central American people's pacifist desire, which will prevail in the face of the crisis so as to prevent a war.

HONDURAS

PLAN RELOCATES CONTRAS, ESTABLISHES BASES

PA051754 Buenos Aires REUTER in Spanish 2022 GMT 4 Nov 86

[By Anne-Marie O'Connor]

[Text] Tegucigalpa, 4 Nov (REUTER) -- Military officers have said that according to what was approved by a commission formed by representatives of the CIA, the Pentagon, and Honduran military men, the anti-Sandinist rebels who are fighting Nicaraguan troops from Honduran territory will have to be relocated.

They said that according to the plan, most of the 16,000 combatants [words indistinct] waged battles with Sandinist troops in the last 10 days to a craggy area of Olancho Department, 90 km to the north.

The officers indicated that U.S. officials said they liked the plan because it means the FDN members can more easily infiltrate Nicaragua for an imminent offensive by rebel troops armed with part of the $100 million in U.S. military aid, which also includes nonlethal aid and which was recently approved by the U.S. Congress.

They said the remote area of El Paraiso is surrounded by Sandinist troops who are shelling Honduras with artillery from higher ground in Nicaragua, a situation that makes infiltration difficult or impossible.

In addition, Honduras is uneasy about the presence of Sandinist patrols which have operated in Honduran territory since July in the southeastern area, according to officers and to a foreign military observer. The observer said the presence of the Sandinists led to heavy fighting 1 week ago when sporadic clashes between rebels and Sandinists turned into fierce battles waged by approximately 1,000 men on each side.

High-ranking officers said the special commission was formed as part of an agreement between Honduran President Jose Azcona and Elliott Abrams, assistant secretary of state for inter-American affairs, in a meeting on 22 October. The officers said the commission is comprised of "two Honduran officers, one of them the chief of an intelligence service, two members from the CIA, and two from the Pentagon."

Western diplomats said the commission would help to coordinate Honduras' role in the aid to the contras who have bases here and it would also help resolve any disagreement over the rebels before it began to affect Honduras' willingness to support them.

The officers said the U.S. officials also liked the plan because it would transfer the rebels to a zone that borders Nicaragua's Zelaya Department, a sparsely populated coastal area where U.S. officials have advised the rebels to seize a piece of Nicaraguan territory. According to this strategy, they could declare a provisional government and then the United States could recognize such a government and openly give it U.S. aid with fewer Congressional restrictions.

Some contra leaders are not in favor of this plan because they say it would require too many men to defend such an area from the Sandinist Army. Nevertheless, it is apparently an option that several U.S. officials would like to keep open.

The relocation would maintain the FDN bases, such as the military instruction center and the strategic center, but it would establish other bases. It would also move troops outside the area of El Paraiso, where their concentrated presence attracts the Sandinist attacks, the high-ranking officers said. The officers said the decision was made on Thursday after 6 days of battles between Sandinists and rebels in the east.

A foreign military observer said 50 Sandinist soldiers were killed and 250 were wounded in battles in Honduras. He said 20 FDN rebels were killed and 100 were wounded.

Nicaraguan President Daniel Ortega said in Managua that Sandinist soldiers killed 80 rebels and wounded 120 in battles on 29 October, but he said the battles took place in the neighboring Nicaraguan department of Jinotega.

FDN spokeswoman Adela Icaza said the FDN killed or wounded more than 300 Sandinists in battles in the last week of October. The FDN also said it caused the downing of a Soviet MI-17 helicopter that left 16 Sandinists dead when it crashed on Thursday. Icaza said the battles were waged in northern Jinotega and not in Honduras.

'BIGGEST' SHIPMENT OF CONTRA AID ARRIVES

PA051449 Buenos Aires REUTER in Spanish 2207 GMT 4 Nov 86

[By Anne Marie O'Connor]

[Text] Tegucigalpa, 4 Nov (REUTER) -- The first important shipment of U.S. aid for the Nicaraguan contras stemming from the $100 million approved by Congress arrived in Honduras and was transported to a rebel base over the weekend, high-ranking Honduran officers close to the operation told REUTER today. The arrival of the supplies was subsequently confirmed by rebel and U.S. sources.

The Honduran officers, who asked to remain unidentified, said a U.S. C-130 transport airplane arrived on Friday in Palmerola, the U.S. operations base located 60 km northwest of Tegucigalpa. They added the shipment was unloaded there and then transported aboard C-47 airplanes to the El Aguacate Air Base -- 200 km to the northeast -- the installations of which have been modernized by the United States. Aguacate is also the site of an important supply and logistics base of the FDN, the biggest Nicaraguan rebel army trying to overthrow the Sandinist government.

The officers said the shipment was "the biggest that had ever arrived" and included mainly weapons and ammunition along with some communications equipment. They added that last week, aid shipments were arriving "little by little" and that this was the "first important shipment" since President Reagan signed the aid package several weeks ago.

They said from now on, the air shipments will be arriving first in Palmerola as part of the CIA effort to closely supervise the shipments and make sure there will not be as much theft by the Honduran military or the rebels as in the past.

The officers said the North Americans wanted the first shipments of aid to go to the Nicaraguan rebels who are "bogged down without supplies" in the Nicaraguan central departments of Boaco, Chontales, and Zelaya. FDN sources said that Adolfo Calero, chief of the political directorate of the insurgent organization, and Enrique Bermudez, its military commander, arrived on Friday to help in handling the shipment. The two leaders were seen near Tegucigalpa and, according to FDN spokeswoman Adela Icaza, they will travel to the United States tomorrow.

Indalecio Rodriguez, another FDN political leader, told REUTER today the organization will delay launching any big offensive against the Sandinists until the FDN troops are well-equipped and have an adequate supply sytem.

DOCUMENTS LINK GUERRILLAS WITH FSLN, FMLN

PA051254 Paris AFP in Spanish 2251 GMT 4 Nov 86

[Excerpts] Tegucigalpa, 4 Nov (AFP) -- The Armed Forces announced today that a new clash between the Army and the guerrilla forces operating in the Nombre de Dios mountain range south of La Ceiba, a port on the Atlantic, resulted in the death of a sergeant.

The subversive group, comprised of some 80 members of the Cinchonero movement, was discovered in early October and on the 12th, a clash between the two groups resulted in the death of two guerrilla members and an Army sergeant.

At a news conference in La Ceiba at noon today, Captain Carlos Quezada, a member of the General Staff, said the documents seized from the guerrillas during the operations "establish that contacts" exist between the Honduran guerrillas and Nicaragua's Sandinist Front and El Salvador's FMLN.

According to the documents, Sandinist Commander Doris Tijerino is allegedly a member of another guerrilla cell that supports the subversives operating in Nombre de Dios. [passage omitted]

Captain Quezada reiterated that the guerrillas finance their activities by growing marijuana. He added that several marijuana plantations have been discovered in the zone.

NICARAGUA

BORGE REPORTS CIA 'PLANS,' U.S. MANEUVERS

PA051551 Paris AFP in Spanish 0419 GMT 5 Nov 86

[Text] Managua, 4 Nov (AFP) -- Interior Minister Tomas Borge today said the CIA is planning to reactivate "the terrorist actions" against Corinto, Nicaragua's most important port on the Pacific coast. During a speech delivered in Managua, Borge said the Sandinist government has information to this effect which states the CIA has transferred "military forces to El Tigre Island" in the Gulf of Fonseca.

"We wait for them here with guns in hand, if they finally decide to commit the crime," added Borge.

Borge said the Reagan administration and the CIA are planning to increase support to the contras so they can occupy territory in Nicaragua on the Atlantic coast or at other points in the country." [quotation marks as received]

"If this savage and illegal act occurs, the United States will surely break off diplomatic relations with Nicaragua and recognize that territory," said Borge.

Borge also reported CIA plans to form a rebel front in southern Nicaragua, near the San Juan River on the border with Costa Rica, which he described as a challenge "of President Oscar Arias' neutrality declaration."

Borge said the U.S. 82d Airborne Division -- which invaded the island of Grenada in 1983 -- is carrying out the "most intense maneuvers" of the last 15 years, "not to celebrate Christmas, but to sharpen its interventionist skills."

Borge said these maneuvers simulate the landing of troops in the fictitious country of Macapa which has presumably attacked another country called San Lorenzo while preventing a third country Palmera from coming " to the aggressor's defense."

"We would have to be idiots not to understand that Macapa is Nicaragua, San Lorenzo is Honduras, and Palmera is Cuba," added Borge.

Borge concluded that his government understood the "messages" and, therefore, "we are making every political, legal, and diplomatic effort to prevent the intervention."

DELEGATIONS ARRIVE FOR FSLN'S 25TH ANNIVERSARY

PA051947 Managua BARRICADA in Spanish 4 Nov 86 p 2

[Text] The delegations of Ireland, Vietnam, Finland, Norway, India, and the Soviet Union arrived in the country yesterday to participate in the main event to commemorate the 25th anniversary of the founding of the FSLN.

Michael O'Riordan, a leader of the Communist Party of Ireland, stressed the courage of the Nicaraguan people who struggle against imperialism, "an infamous enemy that dares to attack small countries without caring that this is a threat to world peace."

He indicated his party is willing to help Nicaragua in any circumstances without measuring the efforts that might have to be carried out to cooperate with the Sandinist cause.

The Norwegian Communist Party and the workers' movement worked hard to turn a committee comprised of rightist forces which was financing the contras of Afhanistan into a movement of support for the Nicaraguan people.

Hans Kleven, chairman of the Norwegian Communist Party, said the struggle was not easy, but "we who were the most progressive of the labor movement worked every day until we achieved excellent results."

"This is one of our contributions to the Nicaraguan people and to the peace movement in the world," Hans Kleven said minutes after arriving at the Augusto Cesar Sandino Airport. He will be a special guest at the commemoration of the 25th anniversary of the founding of the FSLN.

If Reagan invades Nicaragua or if he escalates his aggression, "the Norwegian people will always be with the Sandinist movement," he said.

An attack on Nicaragua is not the same as in Vietnam. These are different times and the peace movements in the world have grown and the peoples are more deeply aware of the political situation of these countries.

All of this shows that the struggle of the people alongside their vanguard, the FSLN, is already known throughout the world and that is why "Mr Reagan should not feel very sure in promoting an invasion of Nicaragua, because he might not even receive support from his own Congress."

The chairman of the Norwegian Communist Party said anything that takes place in Nicaragua is essential either to maintaining unchanged or to destroying the relations among the countries of the whole world.

He added that the essence of the workers' movement against the capitalist monopoly is the same anywhere in the world and, therefore, the workers' reaction will also be the same.

This is his first visit to Nicaragua, and he cannot wait to begin to talk with the people and to closely learn more about their struggle and characteristics. He has been in Cuba twice. The first time was in 1964. During that visit he learned of the difficulties of the Cuban people. During his recent second visit, he was surprised by the difference from that earlier visit.

"I was able to see the country's political and economic stability and to see how the party had become a very realistic, practical, and well-developed organization."

BARRICADA TO ISSUE NEW EVENING EDITION

PA021941 Hamburg DPA in Spanish 1551 GMT 2 Nov 86

[Text] Managua, 2 Nov (DPA) -- BARRICADA, the official organ of the FSLN, the ruling party in Nicaragua, will soon begin to circulate an evening edition, according to an announcement made by the (?newspaper) itself. The first evening edition of BARRICADA is expected to be released on 8 November, which is the 25th anniversary of the founding of the FSLN, and the 10th anniversary of the death of its founder, Commander Carlos Fonseca. The government has scheduled a mass rally and a military demonstration as the main activities for the political commemoration of that date.

It is believed BARRICADA will try to fill the news vacuum left by the opposition paper LA PRENSA, which was closed in August by the Sandinist government for an indefinite period. The paper was charged with having violated the censorship laws applied to the press under the state of emergency, which has been in effect since 1982.

BARRICADA has reported it puts some 100,000 copies on the market daily. The other Nicaraguan paper, EL NUEVO DIARIO, which was established in 1981 following an internal conflict within LA PRENSA, has been putting out some 105,000 copies per day recently.

LA PRENSA put out 60,000 copies, but they sold more quickly than the other two papers. With the closure of LA PRENSA, the only papers published in Nicaragua will be BARRICADA and EL NUEVO DIARIO, which have been morning papers since their founding. BARRICADA's presses can print 60,000 copies per hour.

BRIEFS

GDR WHEAT DELIVERY -- GDR Ambassador to Nicaragua Dr Heinrich Maerz last night handed over 30,000 metric tons of wheat at the Pacific port of Corinto as proof of solidarity with the Nicaraguan people against U.S. aggression. Erich Honecker had promised the delivery to President Ortega during his recent visit to the GDR 6 weeks ago. In his speech of thanks, Vice President Sergio Ramirez praised the GDR as a country that was always in the forefront of those actively supporting Nicaragua. [Text] [East Berlin Voice of GDR Domestic Service in German 0900 GMT 4 Nov 86 LD]

PRESS DENOUNCES U.S. TAX ON OIL IMPORTS

PA052141 Havana International Service in Spanish 2300 GMT 4 Nov 86

["What the Press Has To Say" program with Maruja Garcia and Norberto Hernandez]

[Text] An issue of increasing concern mixed with some irritation has arisen in Latin America during the past few days due to the U.S. decision to establish a tax on oil imports. This is the beginning of a commentary that Cuban journalist Rafael Perez Pereira wrote from GRANMA's weekly summary entitled: Latin America, a New U.S. Economic Blow.

Mexico and Venezuela, the article continues, which basically depend on oil for their import revenues and regard the U.S. oil market as very important, protested immediately. Mexico and Venezuela, supported by their broadest sectors, showed in their allegations that this is another U.S. protectionist measure which violates the principles of that country, the bilateral agreements, and the GATT, which it has promised to respect.

Perez Pereira explained that the U.S. arguments to justify such a repudiated measure were very weak and crumbled quickly because the claim that it legitimately collected funds to finance programs to clean up the enviornment failed right away when it was proven that, according to rules on this matter, a tax was clearly being levied, and that it was an illegal increase in oil import taxes. In the face of this evidence, the U.S. Government kept contradicting itself and promised it would not begin new similar measures and that it would veto those that Congress may approve. The U.S. Congress discussing many protectionist bills that can truly ruin trade clients.

The oil tax announced by Washington, together with the flimsy arguments of its official spokesmen, have practically increased in Latin America and most of the underdeveloped world the fear of more offensive protectionist, discriminatory, and otherwise harmful and illegal trade practices by the United States, which comprises a very important market.

GRANMA's weekly review continues: The measure, which especially affects two of the largest debtors of the Third World, Mexico and Venezuela, is being implemented -- and it is very hard to consider this coincidental -- at a time when the two nations and the rest of the debtors are experiencing great difficulties getting new credits and paying the onerous debt. As some observers and experts have said, this comes at a time when unfavorable trade balances are increasing and the price of primary products -- which make up the main source of income for Latin America and the Third World -- are dropping.

The U.S. measure, the Cuban journalist said, is also a harsh economic blow for Ecuador, Columbia -- a country that is involved in plans to develop the export of hydrocarbons -- and many other countries, which, to a lesser or greater exent, guarantee the U.S. oil supply. The new tax, which is undoubtedly very protectionist, was announced when the oil prices went down in the international oil market, and this is a problem the United States is familiar with. In this way, the Reagan administration is mocking one of the pillars of its own program for pure capitalism: free trade.

This case has also shown, although to an extent less than that claimed by Washington, the contradictions between the interests of the State Department's diplomacy and those of the various groups of economic power in the United States, which once more, as usual, show their strength and influence. To end, the article notes that it was proven that to reap the economic benefit of profits and supremacy, the U.S. system is unable to provide solutions, but rather aggravates the burdensome problems of our nations.

ABRAMS REMARKS SHOW U.S. NICARAGUAN 'OBSESSION'

PA050450 Havana International Service in Spanish 2300 GMT 4 Nov 86

["Our America" commentary]

[Text] When Elliot Abrams, assistant secretary for inter-American affairs, openly pressures Costa Rica to participate in the dirty war against Nicaragua and dares to say in Montevideo that the only alternative against the Sandinist revolution is war, he is definitely expressing what the U.S. Government wants for the Central American countries.

Despite all the efforts made to disguise its real intentions, the White House has not been able to conceal its obsession against the Nicaraguan revolutionary process and Ronald Reagan's definite plan to end his second and final term trying to subdue the people of Augusto Cesar Sandino.

Along this line, the United States not only has through its brutal actions violated all international laws by supporting the Nicaraguan counterrevolution, but it also has sabotaged the peace efforts of the Contadora Group and the Support Group by exerting open pressure on the pro-U.S. governments in the geographic zone of conflict.

When the Contadora Group and Support Group foreign ministers resumed their peace efforts in August at the United Nations, Reagan insisted that the U.S. Congress approve the $100-million aid for the mercenary bands. Two months later, during a flight from Oklahoma to Tampa, Florida, to participate in the campaign for Republican Party candidates in the congressional elections, President Reagan signed the document that legalized the controversial monetary aid -- once again marring the nation's image through an act of open piracy and foreign intervention.

We learned in August, without surprise, that the Pentagon has issued a report indicating that the agreements contained in the last version of the Contadora peace plan -- demanding the elimination of foreign bases and advisers, the supply of arms, the support to rebel groups, and the supply of modern weapons to the governments of the area -- seriously affected U.S. plans toward Nicaragua and were therefore unsuitable. Meanwhile, we must mention that Nicaragua has been the only country in the area that has expressed its willingness to immediately sign the documents, even if it means making sacrifices in its defense policy.

Elliot Abrams tried in Montevideo to present Nicaragua as an intransigent and stubborn country that must be hit hard to change its attitude. Such an aberration seems to disregard the fact that, during the 5 years of dirty war that Washington has been waging against the Sandinist revolution, 30,000 Nicaraguans have died and the country has lost $1.5 billion in material damage and $453 million from the economic embargo enforced by the White House.

Washington is dangerously approaching the Vietnamization of Central America and it is the duty of those who love peace to do everything possible to stop the vehicle of war that Reagan and his acolytes are pushing.

U.S. STAND ON SOVIET AFGHAN MOVE 'HYPOCRITICAL'

PA051225 Havana International Service in Spanish 0000 GMT 5 Nov 86

["Viewpoint" commentary read by Angel Hernandez]

[Text] The most distorted topics among Western political and information circles in recent weeks include the withdrawal of 8,000 Soviet soldiers from Afghanistan. The imperialist strategy reminds us of that Cuban saying: You're damned if you do and damned if you don't. Even Ronald Reagan himself meddled in the problem. In a hypocritical message, he said that the Soviet withdrawal was a sham, and he tried to sow mistrust regarding the Soviet Union's efforts on behalf of nuclear disarmament. Nothing else could be expected from one who returned from Reykjavik with a serious political setback on his hands. The withdrawal of Soviet forces from Afghanistan can be explained by two factors: the Afghan Army's growing ability to defend its national integrity from foreign aggression; and the search for a suitable climate for a political settlement in the area.

Regardless of what the imperialist media may say, reality cannot be hidden in the end. Actions of Washington and its allies shed light on the true cause of the so-called Afghan conflict, which is really a dirty war aimed at hampering the revolutionary process in a country sharing extensive borders with the Soviet Union. This country [Afghanistan] would be a very valuable base for the United States in its hostile policy toward that socialist nation. Washington has not earmarked nearly $1.5 billion in military aid for the counterrevolutionary bands for nothing. This year, the FRG, the United Kingdom, and Japan have delivered close to $1 billion, and Saudi Arabia has earmarked $275 million, toward this end. Each Afghan mercenary leader receives between $350 and $500 as a monthly salary, while the common outlaws earn between $100 and $250 each, in addition to rewards for presumedly heroic acts. For instance, $100 is given for each sabotage; between $200 and $300 for the head of an activist of the revolution; $600 when an officer is murdered; and $2,000 for the destruction of an armored vehicle. In order to get these rewards, the freedom fighters, prodded by Reagan, cut their victims' ears off and take them to Pakistan where there are about 150 operating bases.

The destruction of the counterrevolutionary stronghold at Havara by the Afghan popular forces this year shows the nature of foreign aggression in this barbarous war. British and U.S. rifles, Oerlikon rapid-firing cannons, British antiaircraft Javelin missiles, and U.S.-made gas grenades called CS from the yankee Armed Forces' chemical arsenal were seized at the stronghold. With this in mind, it is really not up to Reagan to question the Soviet Union's internationalist stance regarding Afghanistan, much less link it to a worthy and considerate policy of peace which, in Reykjavik, put the White House's deeply warmongering stance into a crisis.

NICARAGUA'S BORGE ON U.S. 'TERRORIST' PLANS

PA052017 Havana International Service in Spanish 1600 GMT 5 Nov 86

[Text] Nicaraguan Interior Minister Tomas Borge has charged in Managua that the CIA is planning to reactivate terrorist actions against Corinto Port, the most important port in that Central American country.

We have learned, Borge affirmed, that with this purpose in mind, the CIA has transferred mercenary forces to the Honduran El Tigre Island in the Gulf of Fonseca. Likewise, Tomas Borge charged that the U.S. Government is stepping up the supply of assistance to the Somozist counterrevolutionaries so that these forces will be able to occupy a part of Nicaraguan territory.

If this illegal and savage action is committed, the U.S. would probably break diplomatic relations with Nicaragua and would recognize that territory, the Sandinist interior minister added. Borge also denounced the CIA plot to form a counterrevolutionary front in southern Nicaragua and the large maneuvers by the 82nd Airborne Division in the United States as a rehearsal for an invasion of the Central American country.

U.S. SUPPORTS BRITISH 'COLONIALIST OFFENSIVE'

PA060244 Havana International Service in Spanish 2300 GMT 5 Nov 86

["Our America" commentary read by Manolo Ortega]

[Text] Presently, when the British Conservative government is resuming its colonialist offensive in the Malvinas archipelago, Argentines and Latin Americans in general are recalling 1982 war actions, the continental solidarity with the San Martin's people, and the United States' unhesitating support for Great Britain.

During those days, much was said about the Inter-American Reciprocal Treaty [TIAR], which was promoted by the United States allegedly to defend this part of the world against the aggression from any continental power. However, when the opportunity came up, the U.S. Government sided with the aggressor.

The close U.S.-British alliance in 1982 showed that the U.S. administration grossly trampled agreements adopted by this apparatus created by the U.S. to do just the opposite of what it did. Currently, as expected, the government of President Ronald Reagan is maintaining a similar attitude. In recent days, State Department spokesman Charles Redman said that the claim for a fishing area of up to 200 miles near one's own territory is a legitimate right of any country.

Nobody should be fooled; when Redman said one's territory, he did not refer to the Argentine Republic, the country that is legitimately entitled to exercise sovereignty over the seas surrounding the Malvinas; he referred to Great Britain. Redman expressed the U.S. decision to again support seizure plans by its European ally. It was also clearly established that the electoral aspirations of the Conservative Party and the huge revenues that will be generated by the exclusion zone are the main factors behind the British measure. The obsolete decision, which includes banks of hakes and squids surrounding the Malvinas, confirms the ever-present British aim to promote tension in an area that was recently declared by the United Nations as an area of peace and cooperation. The United States will not respect that laudable effort either.

Meanwhile, the United States is trying to promote bilateral negotiations on fishing matters between London and Buenos Aires by which Argentina would have to implicitly acknowledge British sovereignty over the archipelago. In the face of the U.S. Government's attitude during the South Atlantic war, nobody believes anymore that the hypocritical U.S. administration has changed its attitude; Latin American countries have not changed theirs either. In this regard, the statements made by Peruvian President Alan Garcia upon his arrival in Buenos Aires are very timely. He said that in 1982 the TIAR showed that it does not identify with the area's problems. Alan Garcia warned: The time has come to create a common Latin American organization for Latin Americans, because the continent does not accept limited sovereignties or U.S. or European sponsorship.

Foreign Ministry Communique

FL052142 Havana Radio Reloj Network in Spanish 1926 GMT 5 Nov 86

[Text] In view of the decision made by the United Kingdom of Great Britain to extend the exclusive zone around the Malvinas Islands, the Cuban Foreign Ministry says this constitutes a usurpation of Argentine rights. In addition to being a usurpation, says the document, the exclusive zone passes through the Isla de los Estados located in the southern part of the South American country's territory. The Argentine Government's democratic and peaceful vocation, its role in the Group of Six, and its consequent position on these principles in the Nonaligned Countries Movement, places the southern sister country in a prestigous place within the world community, the declaration adds.

London's arbitrary decision, says the Minrex [Ministry of Foreign Relations] document, can only be considered a provocation. The Minrex document says it is very unlikely that Great Britain -- a traditional European ally of Washington -- would risk this dangerous provocation in Latin America without the previous knowledge and approval of the Reagan administration.

The United States openly supported Great Britain in the 1982 Malvinas War and continues supporting Great Britain under an official, hypocritical position of poorly represented neutrality, the text of the document says. Despite Washington's maneuvers, the anachronicstic colonialist actions of the British Government is leading it to total isolation in the international arena and to an increase of the abyss separating the U.S. from the Latin American peoples. The Minrex communique also says Cuba reiterates its solidarity and support for Argentina's claim to its legitimate right of sovereignty over the Malvinas Islands.

FMLN MEMBER DISCUSSES BLOCKED SALVADORAN AID

PA060348 Havana International Service in Spanish 2300 GMT 5 Nov 86

[Interview with Luis Bruno, member of the FMLN-FDR delegation in Cuba by reporter Ramon Chong; date and place not given -- recorded]

[Text] [Chong] Recently, the Salvadoran representation in Cuba charged that the regime is blocking international aid. Does this situation persist?

[Bruno] It persists and continues to intensify. The regime blocks international aid arriving for the people, the aid that could reach them through governmental means but which actually goes to fill the vaults of the rich. That aid could help the people overcome the economic problems caused by the war. The earthquake has apparently helped them request more aid and intensify the war.

[Chong] We learned that the international aid sent by Cuba was rejected. How could we ensure that our aid and the aid sent by other countries experiencing the same problem will be received?

[Bruno] Yes, the Cuban aid was rejected by the regime, which in no way wants the Salvadoran people to be linked with the Cuban people and Government, because there are fraternal ties between our peoples. It rejected the material and human aid, but not the aid that could serve to counter losses in [changes thought] in cases of lack of medicine in military hospitals and so on. Our medicine was accepted, but not our doctors and the field hospitals that Cuba offered. Our health aid was rejected.

Also, the regime places obstacles in the way of other kinds of aid from other peoples, humanitarian organizations, and solidarity groups. It gave a committee made up of the private sector the task of coordinating international aid distribution. This committee does not receive other kinds of aid not specifically assigned to it.

We ask the international public to denounce this, because aid is not reaching our people despite the suffering and need of our people. Needs resulting from the catastrophe have not been met.

[Chong] The regime has not taken into consideration that this aid was channeled through the International Red Cross. In cases of natural disasters, this organization plays a very specific role. Are there other means to channel aid?

[Bruno] Yes, there is the Catholic Church. In the beginning, it was part of the National Emergency Committee. However, after the earthquake, and as a result of its influence over the masses, it has been isolated. Nevertheless, the church, which is part of our people, has organized its own emergency committee. Aid sent by any country or international organization can be channeled through it.

RISQUET MEETS SPANISH COMMUNIST PARTY LEADER

FL060200 Havana Television Service in Spanish 0100 GMT 6 Nov 86

[Text] Jorge Risquet Valdes, member of the Communist Party of Cuba Politburo and Secretariat, met this morning with Gerardo Iglesias, secretary general of the Spanish Communist Party. The visitor is in Cuba en route to Nicaragua to participate in the ceremony commemorating the 25th FSLN anniversary and the 10th anniversary of the death of Carlos Fonseca Amador, a Nicaraguan fighter who died in combat.

VISITING PALESTINIAN GEORGE HABASH' REMARKS NOTED

FL051604 Havana Radio Progreso Network in Spanish 1200 GMT 5 Nov 86

[Text] PLO [as heard] Secretary General George Habash has asserted that the unity of the various forces struggling for the consolidation of an independent state is essential for the triumph of the cause of his people. Habash is visiting Cuba at the invitation of the party's Central Committee.

POLISH DELEGATION ARRIVES FOR OFFICIAL VISIT

FL051850 Havana Television Service in Spanish 1800 GMT 5 Nov 86

[Text] A delegation of the Polish People's Republic, headed by Czeslaw Kiszczak, member of the Polish United Workers' Party Politburo and minister of internal affairs, arrived last night in our country. The visitors were met at the Jose Marti International Airport by Division General Jose Abrantes Fernandez, minister of the interior, and other officials of the Interior Ministry.

AMBASSADOR TO PANAMA CONCLUDES DIPLOMATIC MISSION

FL062256 Havana Radio Reloj Network in Spanish 1906 GMT 5 Nov 86

[Excerpt] Upon concluding his diplomatic task, Cuban Ambassador to Panama Miguel Brugueras Del Valle has received new expressions of recognition and support. Former Panamanian Foreign Minister Oyden Ortega offered a reception for the diplomat. The reception was attended by Romulo Escobar, president of the Democratic Revolutionary Party, and special guests. [passage omitted]

CARLOS RAFAEL RODRIGUEZ ANALYZES CEMA MEETING

FL060150 Havana Television Service in Spanish 0100 GMT 6 Nov 86

[Text] The 42d CEMA Session, which recently concluded in Romania, is of special importance because the integral program of scientific-technical development was critically analyzed and measures were adopted to implement the program. In an interview with PRENSA LATINA, Carlos Rafael Rodriguez, Cuban vice president of the Councils of State and Ministers and head of the Cuban delegation to the CEMA meeting, has analyzed the results of the council meeting, which was held during an important time for organiztion members. Rodriguez stressed that the CEMA Session will allow Cuba to advance by using the experiences of other socialist states as a basis.

FOREIGN MINISTER IN HAITI FOR OPEN BORDER ISSUE

FL051242 Bonaire Trans World Radio in English 1200 GMT 5 Nov 86

[Text] The Dominican Republic's foreign minister arrived in Haiti yesterday for talks expected to focus on the possibility of reopening the frontier between the two countries. The border was closed under President Jean-Claude Duvalier because of disputes over bilateral commerce and customs duties. President Henri Namphy said in an interview with Dominican journalists that he supported opening the frontier because people of both countries must, as he says, "live together."

YEARLY INCOME SHOWS 33-PERCENT INCREASE

FL042320 Santo Domingo LISTIN DIARIO in Spanish 29 Oct 86 pp 1, 13

[By Jose Romero]

[Excerpts] According to official sources, this year's income yesterday reached the sum of $2,988.7 million [Dominican Republic dollars]. This total represents a 33 percent increase in relation to the same period last year. Income between January and October 1985 reached $1,491 million. If this domestic income tendency continues at an approximate rate of $160 million a month, income at the end of the year would reach $2,200 million. [passage omitted]

Guillermo Caram, technical secretary of the Presidency Secretariat, has said the government has recently maintained an average of $1 million daily in investments. He said reduced spending represents close to $40 million from one month to another (from August to September). [passage omitted]

REBELS THREATEN USERS OF ZANDERIJ AIRPORT

PM051233 Rotterdam NRC HANDELSBLAD in Dutch 1 Nov 86 p 3

[Unnamed "own correspondent" report: "Surinamese Fighting Will Move to Zanderij This Week']

[Text] Amsterdam, 1 Nov -- The fighting in Suriname between Bouterse's National Army and the Jungle Commando of Ronnie Brunswijk will move to Zanderij airport, 50 km from Paramaribo, in the coming week, a spokesman for Brunswijk has said.

Ronnie Brunswijk has issued a statement in which he warns international airlines and insurance companies that, beginning Wednesday 5 November, the Jungle Commando will not accept any responsiblity for damage to aircraft or loss of human life if flights into Zanderij continue. Brunswijk says that he regrets this development, but "we have no alternative, because Zanderij airport and its evirons will also become the scene of fighting."

In heavy fighting in the viciniiy of the U.S. Suralco bauxite company, 40 soldiers from Bouterse's National Army have been killed, according to the Jungle Commando. One member of the Jungle Commando died, according to a spokesman for Brunswijk. The spokesman also said that Jungle Commando sympathizers have succeeded in burning down the house of Iwan Graanoogst in Paramaribo. After Bouterse, Graanoogst is the highest-ranking officer in the National Army.

Army Announces Actions

FL042226 Paramaribo International Service in English 1730 GMT 4 Nov 86

[Text] The National Army yesterday announced that it will undertake actions against the Brunswijk Gang starting at 2400 hours Wednesday night. The Army has instructed all residents of Stoelmanns Eiland, (?Labaesakassian), and (?Drietabbetje) to leave the areas within 48 hours. The same goes to villagers from other villages in which members of the Brunswijk Gang are operating.

OFFICIAL CRITICIZES REBEL 'MERCENARIES'

For an interview with Laurens Niede, head of Suriname's Department of Popular Mobilization, published in IZVESTIYA on 28 October, see the Latin American & Caribbean section of the 5 November Soviet Union DAILY REPORT, page K 2.

INTER-AMERICAN AFFAIRS

ANDEAN PARLIAMENT LEADER GARRET PLANS TOUR

PY060101 La Paz La Red Panamericana in Spanish 0000 GMT 6 Nov 86

[Text] [Bolivian Vice-President] Julio Garret Ayllon, as president of the Andean Parliament, will begin a tour of the subregion's countries to consult with the chiefs of state and congress presidents on the British decision to extend its area of influence around the Malvinas Islands to 200 nautical miles.

According to the agenda that has been drafted by the Andean Parliament, Garret will meet with Peruvian President Alan Garcia and Foreign Minister Alan Wagner on 6 November; on 10 November with Colombian President Virgilio Barco Vargas; on 13 November with Ecuadoran President Leon Febres Cordero; and on 17 November with Venezuelan President Jaime Lusinchi.

MEXICO

DE LA MADRID, CUBAN EDUCATION MINISTER MEET

FL051406 Mexico City NOTIMEX in Spanish 0415 GMT 5 Nov 86

[Text] Mexico City, 4 Nov (NOTIMEX) -- Jose Ramon Fernandez Alvarez, vice president of the Council of Ministers and minister of Education of Cuba, today paid a visit to Mexico's President Miguel de la Madrid in Los Pinos official residence.

During the meeting, the chief executive reiterated Mexico's gratitude to the people of cuba for the aid given as a result of the earthquakes on 19 and 20 September 1985 and, especially, in the field of education.

Vice President Fernandez Alvarez conveyed to President Miguel de la Madrid and the Mexican people greetings from his government. Present during the meeting was Mexico's Public Education Secretary Miguel Gonzalez Avelar.

Cuban School Aid

PA051719 Mexico City EL NACIONAL in Spanish 3 Nov p 3

[Excerpt] The Cuban Government has donated $2.5 for the reconstruction of two primary schools in the Federal District and the rehabilitation of another 24 schools in three states of the republic. Ramon Aquirre, chief of the city government; Cuban Education Minister Jose Ramon Fernandez Alvarez, Public Education Secretary Miguel Gonzalez Avelar; and Cuauhtemoc delegate Enrique Jackson will inaugurate the Jaime Nuno School today.